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# THE FINANCIAL POST

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## The Nation's Business

Another "Trust" Charter Issued
Did Ottawa Break Faith?
The Debacle in Newsprint
Toronto's High Taxes

### INVESTMENT "TRUSTS"

AS FAR back as July, 1927, officials of the department of the secretary of state at Ottawa allowed it to be understood that no more charters would be issued to investment companies, incorporating the word "trust" in their title. At least the statement was published then that the department had arrived at that decision, and no denial was issued, and officials of various trust companies throughout Canada, who took the matter up at Ottawa, were given replies that satisfied them that the department would follow this policy.

The current issue of the Canada Gazette announces the incorporation of the British Columbia Investment Trust and the date of the letters patent is September 12, 1928. It would seem then that the secretary of state's department has broken faith with the trust companies and the latter are faced again with the problem of how to induce the government to give protection to a word that has a special significance in Canada.

* * *

IN THIS country, trust companies perform fiduciary functions of a very important character and their position as guardians of private funds is recognized by special laws. Trust companies, incorporated under Dominion charter, make returns to the Dominion Superintendent of Insurance and are closely regulated and supervised by that official. Trust companies under provincial charter come under a somewhat similar provincial supervision. The word "trust" in the name of the company suggests to the public that this supervision and this close regulation of their business are being given.

The popularity here of what in England are called "investment trusts" has raised a very serious problem. In England a "trust" is not an institution of a fiduciary character. It is a company investing in different classes of securities and issuing debentures and shares to the public. In transplanting the English investment trust to this continent the name also was brought over but it was early recognized that the name was a misnomer on this continent and should not be used. In Canada, it was recognized by leading financial men that to permit the use of the word "trust" in the name of these companies would be misleading to the public. It is amazing that Ottawa permits the practice to go on. While it may be too late to change the names of the few companies so organized it is not too late to establish the policy of permitting no further investment "trust" charters using that word.

* * *

AT THE recent meeting of the Investment Bankers Association of America in Atlantic City it was decided that all investment bankers should avoid, whenever possible, the term "investment trust." It was pointed out that on this continent the use of the word "trust" implies something analogous to trust companies or trust funds. The newly organized companies to invest and re-invest money were better described as investment companies, it was conceded.

In Canada, where trust companies are even more confined to trustee activities it is more essential that the word trust be avoided in the name of companies that are not trusts in any respect.

* * *

### NEWSPRINT CO-OPERATION

REALIZING the situation in the newsprint industry, The Financial Post at the end of June suggested that the newsprint interests get together and appoint a dictator or referee who would so regulate the output of the mills that prices could be maintained.

With the prices which prevail today and with those which prevailed earlier in the year the mills were not making sufficient to allow them to make proper allowance for the depletion of the forests—perhaps the greatest natural asset of the Dominion.

However, The Financial Post's plea, either for the appointment of an arbitrator or for some action by the provincial governments which would tend to reduce the hazard of lower prices, was ignored.

Government interference with, or the appointment of a referee for the industry would undoubtedly have some unsatisfactory points. But either step might at least have helped to prevent the situation in which the newsprint industry now finds itself.

For the general good of the industry and for the well being of the Dominion's resources, it is to be hoped that the unsatisfactory developments which have taken place during the past week may result in bringing the newsprint interests together to a closer understanding. Such an ideal is not impossible of achievement for when all is said and done there are but four groups producing the greater proportion of the newsprint output of this continent.

* * *

### TORONTO TAXATION

THE Toronto building contractors complain that outside firms, with headquarters mainly in Hamilton and Montreal, underbid them for some of Toronto's big business. They say these outsiders do not pay Toronto's high income taxes, that business

(Continued on page 2, col. 2)

## POWER CORP. MAKES MONEY ON BIG SCALE

### Advance in S.C. Power Adds Over Half Million

### GAIN IN OTHER DEALS

### Common Does Not Reflect Important Changes Which Have Taken Place

From Our Own Correspondent

MONTREAL. — There has been little reflection in the market value of Power Corporation of Canada common stock on the news of the four for one split in the common shares of Southern Canada Power.

Although the balance sheet of Power Corporation does not show the extent of its holdings in the various Nesbitt, Thomson group of power companies, The Financial Post is reliably informed that the company owns 25 per cent. of the outstanding common stock of Southern Power Corporation, namely, 25,000 shares. Accordingly the split will give Power Corporation 100,000 shares of a total of 400,000 no par value common shares under the new capital setup of Southern Canada Power.

Since the announcement of the Southern Canada split, the book value of Power Corporation's holdings in this company have gone up $750,000. When the new stock is called for trading, its lower price and wider distribution should bring about a further enhancement in value, from which Power Corporation stands to benefit.

**Substantial Equity**

The increment in value of Southern Canada Power stock means an appreciation in the holdings of Power Corporation equal to over $3 on the 200,205 shares of common stock of the latter company outstanding.

The position of Power Corporation of Canada has strengthened considerably during the past twelve months as a result of a number of profitable deals.

A favorable price was received for the Corporation's holdings of Ottawa and Hull Power Company and its subsidiary, the Ottawa River Power Company, which passed to other hands on March 15 last.

Further, the company made a handsome profit on its holdings of British Columbia Electric Railway Company whose common stock was taken over by the British Columbia Power Corporation.

Again its holdings of Winnipeg Electric, Brazilian, Shawinigan and Canada Power and Paper have shown a healthy increase in value. All in all, Power Corporation of Canada should do very well this year.

## Industry is Safe Tho' Profits Vanish on $50 Newsprint

### This Price for Newsprint Seems Certainty for Coming Year

### $30,000,000 LOSS

### But New Price at Least Eliminates Danger of Further Cuts

From Our Own Correspondent

MONTREAL.—The cut in the price of newsprint by the International Paper Company can be regarded solely as an attempt by that organization to retain its present customers and at the same time an attempt to set a price which will be maintained. Earlier this year the International Paper announced a figure of $62, which was immediately cut by other companies in an endeavor to obtain more business.

The Financial Post understands that the recent action by International followed attempts by other organizations to sell newsprint to International's customers by offering price concessions.

Those close to International are certain that the price at which newsprint is to be sold to Hearst is not the freely quoted $50 figure. It is probable that there are certain features of the contract which will never be made public which will give a little better return to International than the $50 figure.

**Advise Shorts to Cover**

It is said that already there is a large short interest in the shares of International. Those with a knowledge of its operations are now advising the shorts to cover, feeling that the stock will not decline much more, as only 22 per cent. of International's earnings come from the manufacture of newsprint. Some 55 per cent. of its profits come from the sale of power and the remainder of the earnings come from miscellaneous activities which, of course, include the manufacture of other grades of paper.

If International has set a newsprint price which will stick, it will in reality be a satisfactory feature of the industry which over recent months has been entirely upset due to the prevalence of price cutting.

If the newsprint men do not become panicky over this most recent development, the situation should not get

(Continued on page 2, col. 3)

Hudson's Bay Company Officials Meet

Charles V. Sale, governor, and George W. Allan, K.C., chairman of the Canadian committee photographed during the recent meeting at Winnipeg.

## Arnold Bros. Plan Seen as Assurance of Future Success

### Exchange of Preferred Places Enterprises On Sound Basis

### BACKERS CONFIDENT

### Accumulating Arrears Hampering Company Lacking Cash; Situation to be Remedied

Offer of Consolidated Food Products to give three shares of Class A stock for each share of 7 per cent., preferred of Arnold Bros., Ltd., is interpreted as meaning that the financial interests behind the enterprise are satisfied that, under the management of M. Zahler, the company can be made a success if the drag of accumulated arrears are eliminated and if the company is placed in the position where it can finance comfortably.

The Class A stock of Consolidated Food Products to be created will be of $35 par value, entitled to a preferential dividend of $1.50 per annum and a further dividend of $1.50 per annum if and when that amount is paid on the common stock of the company, of which there are 114,500 shares outstanding.

**Dividends Next Quarter**

It is stated in the circular sent to Arnold preferred shareholders that an initial dividend at the rate of $1.50 per year will be declared "early in the new year." It is understood that the directors have in mind a payment on March 31 next.

With more than 60 per cent. of

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Island Premier

SIR RICHARD SQUIRES, who will again be premier of Newfoundland following the defeat of the Alderdice government this week.

## B.C. POWER "B" STOCK ADVANCES WITH SUPPORT

### English Buying Reported as Being Behind Present Move

From Our Own Correspondent

MONTREAL. — The manner in which British Columbia Power Corporation "B" stock has advanced in price on the Montreal market during the past week, has attracted no small amount of attention. At its offering price of $20 a share, the stock was considered a fair value. But since being put on the exchange, it has steadily advanced, with seldom a recession, to a point this week of 38.

On the other hand, the "A" stock has adjusted itself to the "B" value, though the gain in the former is not entirely proportionate.

It will be recalled that 1,000,000 shares of "A" common and a similar quantity of "B" stock were issued; the "A" stock was sold to the public at $60 a share, with a bonus of one-quarter share of "B".

On current market values, purchasers of the "A" stock have had an advance in their holdings from $60 to $61, on the basis of the "A" being worth 51½ and the one-quarter share of "B" equal to 9½.

**Outside Buying**

The strength shown by B. C. Power stock is attributed to different reasons, the one finding favor being that English investors are purchasing the stock with a view to holding it for a long time.

This is probably a sound move, but on the basis of last year's earnings of B. C. Electric Railways, it will be some time before B. C. Power is paying anything on the "B" stock. While last year's financial statement of the B.C.E.R. will not be published until the annual meeting at London about the middle of December, the monthly reports would indicate that not much more has been earned than the annual rate of $2 a share on the B. C. Power "A" stock.

Looking to the feature the "B" stock of B. C. Power corporation should show its holders a good profit. The territory served by B. C. Electric Railway is growing steadily and over the past few years, earnings of the company have shown a substantial advance. There is every reason to believe that the company will experience greater expansion in the next decade than in the one just passed.

### Mersey Paper Not Owned by Price

Special Correspondance

HALIFAX. — Some doubts have arisen here touching Price Brothers' entry into the Mersey Paper Company picture. Some weeks ago it was said that Price Brothers controlled, or was going to control, the common shares of the new large Nova Scotia newsprint mill. Now, however, it is rumoured that Price Brothers may not participate in the development, and that the project, on which rapid progress is being made, will remain in the hands of I. W. Killam and the Royal Securities Corporation.

## Windsor Hotel Common Profit Near $4 Share

From Our Own Correspondent

MONTREAL.—Earnings of about $3.80 per annum on the common stock of Windsor Hotel, Limited, is apparent from the results obtained during the nine months ended September 30, 1928. This figure is arrived at after the payment of bond interest, dividends on the preferred, and setting up reserves for depreciation and bad debts.

It is understood that listing papers have been prepared and that an announcement will be forthcoming shortly as to the common being admitted for trading on the Montreal Stock Exchange.

At present there are 50,000 shares of no par value common stock outstanding. Of this total 11,250 was offered as a bonus with an issue of $2,250,000, 6½ per cent., preferred which was offered to the public.

There has been a little trading in common during the past few months. Insiders have been picking up the stock quietly on the assumption that when the stock is listed and the earnings become known, the value will increase. Over-the-counter sales recently have been put through at 30.

## Stock Market

MARKET INDICATOR

| 20 Industrial Stocks | High | Low |
|---|---|---|
| Week of Oct. 31 | 94.6 | 89.9 |
| Week of Oct. 24 | 96.4 | 90.5 |
| Month of October, 1927 | 83.5 | 73.1 |
| **9 Bank Stocks** | | |
| Week of Oct. 31 | 309 | 304 |
| Week of Oct. 24 | 306 | 300 |
| Month of Octobe 1927 | 286 | 269 |
| **10 Public Utilities** | | |
| Week of Oct. 31 | 112 | 109 |
| Week of Oct. 24 | 112 | 108 |
| Month of October, 1927 | 286 | 269 |

WEEK'S GAINS AND LOSSES

| | Gains | Losses | Unch. | Total |
|---|---|---|---|---|
| Banks | 7 | 2 | . | 9 |
| Paper | 2 | 12 | 4 | 18 |
| Steel | 15 | 13 | 18 | 46 |
| Foodstuffs | 17 | 18 | 20 | 55 |
| Utilities | 12 | 11 | 13 | 36 |
| Tractions | 4 | 2 | 7 | 13 |
| Textiles | 6 | 3 | 9 | 18 |
| Industrials | 31 | 25 | 56 | 112 |
| Total | 94 | 86 | 127 | 307 |

## INTER. PETE CRUDE SALES LEAP AHEAD

### Future Bright for Company Growing Very Rapidly

### TONE IS HEALTHIER

### Obstacles in Way of Curtailment of Crude of Imperial Subsidiary Makes Profits in Any Event

International Petroleum has been attracting more attention on the stock markets in Montreal, Toronto and New York in the last week or ten days on reports that the issue, which has been quiet around 40 for more than a year, likely would begin to ascend the scale in pursuit of its parent, Imperial Oil. The stock currently is selling around 47, an advance of seven points in a few days.

An official who was asked about the stock said that he had confidentially predicted its rise because, for once, he did not wish to be wrong. He could see no basis for the rise except that once upon a time Petroleum used to keep only a few points behind Imperial Oil. Imperial is now selling above 80.

**Question Pool's Strength**

The opinion was vouchsafed further that it was doubted if a pool operating in Toronto was strong enough to cause any great movement. If a strong pool already is under way it was said, it was surprising that so much stock should be available at the lower levels from Montreal and New York.

International Petroleum is one of those companies which does not publish its earnings figures and about which there is very little other information available, beyond the figures of actual production from month to month.

So far as can be sifted from the rumors floating in financial circles, there is no doubt that there is a pool, or several pools, who have agreed to buy the stock for appreciation over a term of months. The pool has been organized on the assumption that the stock is undervalued in relation to Imperial Oil, which owns 65 per cent. of the 7,162,044 shares outstanding as of December 31 last.

**Say Profit $5 per Share**

A year ago, The Financial Post was informed from a quarter which usually knows whereof it speaks that International Petroleum would have earnings of $5 per share, or slightly less, for the year 1927. On this basis, the stock should have advanced. But it stayed around 40, not because it was not well-regarded by investors, but because the oil stocks as a group were not in the best position.

Stocks of producing oil companies are viewed more favorably at the present time and International Petroleum, it is considered, should be among the first to benefit substantially from this changed attitude.

While it can hardly be said that the situation in the world market for crude at the moment is any better than it has been for two or three years, the promise of better times is held out in the arrangement recently entered into between Burmah Oil and the Dutch-Shell group. There have been no announcements as to the attitude of Standard Oil as to world-production, but it is believed that a healthier condition will obtain in the next year than at any time in the recent past.

**Concentrate in Colombia**

If Standard Oil of New Jersey, which controls International Petroleum through Imperial Oil, has agreed to any curtailment of production in foreign fields, it is more than probable that International Petroleum shareholders stand to benefit in the first instance. International Petroleum is one of the low-cost producers, particularly from its concessions in Colombia. In the circumstances, if all the fields are not to produce at capacity, it is likely that the Colombian fields will be developed while operations elsewhere, including Peru, are curtailed or the fields left dormant.

**See Healthier Tone**

While Standard Oil officials point to difficulties in the way of an agreement which would curtail oil production to something like the demand,

(Continued on page 2, col. 3)

## C. P. R. Will Make Records With 1928 Earnings Report E. W. Beatty Assures Post

### Railway President Sees $60,000,000 Profit in Final Return

### INVITES CANADIANS

### To Participate in Record Prosperity—Wants Greater Majority Control Here

Assurance has been given The Financial Post by E. W. Beatty, president and chairman of the board of Canadian Pacific Railway, that returns from railway operations for the full 12 months of 1928 will approximate if not exceed all previous records in the history of the company.

This assurance was given in the Canadian Pacific's offices at the moment the September report became available, revealing the largest September and nine months' gross revenues in history and a net for the month which has been exceeded only once. Estimates for the full twelve months' operations were based upon the showing for nine months to September, the incomplete returns for October and the record volume of grain awaiting shipment from the prairie provinces—together with the increasing volume of merchandise flowing westward as farmers liquidate their holdings.

**Sees $60,000,000 Net Profit**

Mr. Beatty admitted that the figure of $60,000,000 net available before fixed charges, as the amount the company would show from all operations in 1928, including special income would not be far out. This would exceed the previous record of $59,419,000 in 1917 and be four million dollars over the satisfactory 1926 report. It would exceed last year's return by over nine millions.

The estimate provides for revenues solely from railroad operations of $47,821,000. This would necessitate an increase in October of $1,000,000 net, the same figure for November as was earned in September and $3,000,000 net in December. How conservative this estimate is can be judged from analysis of the ten-year average returns for these months. The average gross for October has been almost two per cent. greater than for September. November has an average gross return a full one per cent. greater than September. The December average net is $2,797,740—but in four of the last six years the $3,000,000 net mark was substantially exceeded.

It is barely possible the $47,000,000 mark may be exceeded previous to the December return. To accomplish this, it would be only necessary to show the same rate of increase in net for October and November over September, that has prevailed in other years. While September in the 10-year average has accounted for 12.62 per cent. of the total net operating revenue, October has accounted for an even 19 per cent. and November for 13.89 per cent.

**Up to Previous Forecasts**

Mr. Beatty told The Post that reported earnings and company estimates of Canadian Pacific's returns from railroad operations, were in line with forecasts made in The Financial Post. These forecasts of record gross and record net for a decade or more were made as early as August and up to date have needed no revision. This confirmation can also be taken to mean that Canadian Pacific expects gross earnings in October or November to approximate the $25,000,000 mark. This would be considerably in excess of any single month in the company's history and would substantiate the conservatism in the estimate of $47,821,000 net operating revenue for the 12 months.

**Americans Buying In**

"The report Canadian Pacific will have to offer for 1928," Mr. Beatty said, "should not alone be acceptable to all our stockholders, but to all of Canada, and more particularly Canadian shareholders. Substantial improvement in our operations reflects an increase in the prosperity of the Dominion. I do not think such a thing as a crop failure possible for Canada any more. In fact, there is a tendency for agriculture all over the Dominion to become stabilized. The area of agricultural products is too vast to be adversely influenced in all parts in any one year.

"Canadian Pacific is vitally interested in the Canadian shareholder. Some 16 per cent. of our ordinary shares are held at home. Some 62 per cent. are accounted for by British subjects. But there is a large and increasing American interest, which is reflected by the comprehensive survey of C.P.R.'s properties by New York investment interests." The Financial Post gathered that Mr. Beatty would like to see the Canadian holdings increased. He said, "It is gratifying to see foreign interests with essential knowledge of investments remark the possibilities in an enterprise. However, the addition of home investors, more intimately in touch with the situation represents a greater bulwark for mutual advantage.

"Canadian Pacific Railway is so essentially a Canadian enterprise, so completely intertwined with the prosperous development of this Dominion, that the tendency for Canadians to increase their holdings must ever be encouraged. There is every reason to believe such a course leads to mutual advantages."

### C.P.R. Earnings Show Big Gain

Comparative September and nine months' returns, gross and net, running back to 1919, follow:

| | 1928 $ | 1927 $ | Inc. $ |
|---|---|---|---|
| **September** | | | |
| Gross | 21,371,239 | 17,053,124 | 4,318,115 |
| Exp. | 15,073,035 | 12,559,112 | 2,513,922 |
| Net | 6,298,203 | 4,494,011 | 1,804,192 |
| **Nine months** | | | |
| Gross | 156,568,199 | 139,183,035 | 17,385,163 |
| Exp. | 125,342,910 | 114,687,789 | 10,655,120 |
| Net | 31,225,289 | 24,495,245 | 6,730,043 |

Following are the gross and net earnings for every September for ten years:

| | Gross | Net |
|---|---|---|
| 1928 | $21,371,239 | $6,298,203 |
| 1927 | 17,053,124 | 4,494,011 |
| 1926 | 18,875,404 | 6,448,823 |
| 1925 | 18,909,071 | 6,267,619 |
| 1924 | 15,493,893 | 4,547,845 |
| 1923 | 17,745,908 | 4,497,971 |
| 1922 | 18,149,528 | 4,586,982 |
| 1921 | 19,494,761 | 4,820,049 |
| 1920 | 20,009,287 | 3,908,654 |
| 1919 | 17,513,690 | 4,091,919 |

The following table shows gross and net earnings for the first nine months of every year back to 1919:

| | Gross | Net |
|---|---|---|
| 1928 | $156,568,199 | $31,225,289 |
| 1927 | 139,183,035 | 24,495,245 |
| 1926 | 137,331,784 | 28,682,021 |
| 1925 | 124,674,088 | 21,635,921 |
| 1924 | 129,858,698 | 20,445,882 |
| 1923 | 130,688,262 | 19,251,424 |
| 1922 | 124,826,771 | 19,308,349 |
| 1921 | 136,387,627 | 21,900,671 |
| 1920 | 147,437,402 | 19,157,139 |
| 1919 | 124,239,974 | 23,053,269 |

## C.P.R. EQUIPMENT KEPT UP TO DATE; ALWAYS EXPANDS

### Company Awards Contract for One More "Empress"

In an exclusive interview with The Financial Post, this week E. W. Beatty, chairman and president of C.P.R., said that the outlook for the company was satisfactory and that the outlook for many of its subsidiary undertakings, particularly Consolidated "Smelters" was excellent.

Mr. Beatty was hopeful of the operations of the Colonization and Finance Corporation which is controlled by the C. P. R. and by the mortgage companies. In the past, in the West, there has always been difficulty about the sale of privately owned lands. Many of these lands are, or could be made extremely productive; but there has been no organization to locate and to purchase them from the owners and to insure their proper colonization. This function will be fulfilled by the newly formed Colonization and Finance Corporation.

Some indication of the bettered operating results being experienced may be judged from the fact that Mr. Beatty gave just a hint that extensive equipment contracts might be let before the end of the year. It is understood, by those with some knowledge of the companys operations, that these contracts will amount to between $15,000,000 and $20,000,000.

**Special Income Account**

From the earning figures of the C. P. R. for the month of September, it will be seen that profits this year from the operation of the road itself, with the returns for the two best months yet to come, will be very largely in excess of those in 1927. It is understood that the earnings in special income account will probably exceed last year's total. Earnings in special income account include all the road's operations save profits from railway lines in Canada.

Profits from the petroleum and gas lands, which come in the form of royalties from operating companies, are larger this year, although the revenues from these sources represent only a fractional percentage of the total earnings in special income account.

There has been talk that the Canadian Pacific would keep the Banff Springs Hotel open during the winter months. This report is without foundation.

Those with a close knowledge of C. P. R. feel that perhaps one of its most promising assets is its holdings of about 50 per cent. of the shares

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### Survey Reveals Many Canadian Investors Overlook C.P.R.

### ATTRACTED BY MINES

### Forget Dominant Position of Smelters and Huge Profits Accruing to Railway

By GARY MOORE
Article VII

The variegated perversity of human nature is reflected in practically all human relationships, but never to better advantage than in reactions of the sympathies, the pursuit of pleasure and the hope of gain. The nearsightedness of the sympathies is demonstrated in how profoundly we can be moved by the death of a family pet ;yet how casually we accept news of a great disaster with loss of human life in a remote part of the world. It is the secret ambition of practically all the race to travel for pleasure. It is the foreign scene which fixes itself in our imagination. The beauty of the picture surrounding us at home cannot compete with the picture we conjure of the pleasures to be derived from a visit abroad.

This far-sightedness manifested in the pursuit of pleasure is likewise demonstrated in our hope of gain. There are none so humble but which carry secretly in the heart the hope of great riches at some future date. The rich and great hold secret communion regarding greater riches. And in practically every instance these secret longings are based upon the enchantment of distance—a gold mine in Peru, diamonds in South Africa, sunken treasure in the South Seas—all of these seem to clutch the imagination as can no prosaic investment at home, no matter how valuable.

**Seeking Opinions**

The writer asked one hundred Canadian investors and stock market traders, "What is the premier investment in Canada?" The answer in 87 instances was Canadian Pacific ordinary shares. But of the total only 29 admitted they held the stock in their strong boxes. The reasons cited by the others for investment and speculation were various and in these articles we will seek to analyze them, and to present, as far as it is humanly possible, the long range picture of C.P.R.

In many instances the men questioned admitted a preference for mining speculation. Upon further questioning in most instances, they readily acquiesced to the charge they had been bitten by the lure of "get-rich-quick." The hope of fabulous returns from a small mining venture overshadowed the steady progression of the larger mining companies in Canada to a dominant position.

It is true that in a number of instances ready wealth has been made quickly from chance discovery of valuable ores, but it is equally true that as time goes on, the larger units through the facilities of wonderfully developed exploration departments not only increase their own chances of discovery, but render it more difficult for smaller groups. The potential ore bodies of Canada are all under the survey of these exploration departments of the larger mining companies.

In addition, the vast acreage held is a guarantee that not by any chance will the future place them in a position of competing for ore bodies with smaller units.

A study of the mining industry in Canada from the investment and also the speculative angle, must of necessity include Canadian Pacific. For not only through increased traffic from development of mines will C.P.R. benefit, but also directly from

(Continued on page 2, col. 4)

## National Breweries Will Not Split Stock

From Our Own Correspondent

MONTREAL.—No consideration will be given to increased dividends or change in the capital structure of the National Breweries, Limited, for some time to come, according to authoritative information supplied to The Financial Post.

This will effectively block the plans of brokers and others who have been touting the stock of Breweries with reports that the company was considering a three-way split and that the new stock would be on a $2 dividend basis.

From the same source, The Financial Post learns that the company this year has retired all its outstanding bonds, approximately $1,000,000, which considerably increases the equity back of the preferred and common stocks.

Further the company has experienced a good volume of business to date. The large tourist traffic to Quebec Province has had a beneficial effect on the demand for the company's products, while sales in other provinces are satisfactory. The increase in business has not been abnormal by any means; a normal improvement being registered.

It is further understood that the directors of the National Breweries have approved of some necesary extensions to some of their plants which will entail an expenditure of approximately $1,250,000 to $1,500,000.

This, and the retirement of the bonds, would appear to prevent any consideration being given to cutting a "melon" for the shareholders.

As is well known, the management of the National Breweries is of the conservative type and it has always taken the stand that the plant and equipment should be kept up to the highest standard and that reserves should be large enough to tide the company over any bad years that may arise.

While the present financial position is strong, the reserves of a company of this type are seldom too large and the directors of the National Breweries want to see the reserves at a higher point before increasing the dividend, splitting stock or passing out bonuses to the shareholders.

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| C. P. R. | 1 | Photo Engrav. | 13 |
| Crown Willamette | 8 | Pioneer Fire | 24 |
| Distill. Corp. Sea. | 11 | Power Corp. | 1 |
| Dodge | 14 | Price Bros. | 8 |
| Dom. Bridge | 13 | Quality Canners | 6 |
| Dom. Envelope | 14 | Queen's Pk. Plaza | 18 |
| Dom. Textile | 8 | Quinte Brew. | 9 |
| Dryden Paper | 8 | Quinte-Trent Val. | 4 |
| Durant Motors | 15, 19 | Regent Knit. | 12 |
| English Elec. | 12 | Ritchie Cut St. | 5 |
| Farmers' Mutual | 24 | South Can. Power | 4 |
| Fraser Cos. | 5 | Twin City | 4 |
| Gatineau Pw. | 18 | West Kootenay | 4 |
| Gen. Motors | 14 | Winnipeg Elec. | 9 |

MINES

| | | | |
|---|---|---|---|
| Aberdeen Mines | 27 | Int'l Nickel | 25, 26 |
| Argonaut | 28 | Int'l Explor. | 27 |
| Astoria Rouyn | 27 | Kazaba | 28 |
| Bathurst | 25 | Kirk-Hunton | 27 |
| Bellevue Gold | 27 | Lebel Oro | 27 |
| Big Harbour | 28 | Malartic | 25 |
| Bobjo Mine | 25 | McIntyre | 26 |
| Bush Consol. | 28 | Mond Nickel | 26 |
| Callinan F. F. | 82 | Molybdenite Co. | 27 |
| Consol. Smelters | 25 | O'Brien Mines | 27 |
| Coniarium | 28 | Old Colony | 27 |
| Cummings-Trudel | 27 | Pioneer | 28 |
| East Bay | 25 | Siscoe | 27 |
| East Sud. Deep | 27 | Stadacona | 28 |
| Falconbridge | 25 | Windfall | 28 |
| Greer Stabell | 26 | Wr.-Hargreaves | 28 |
| Hollinger | 25 | Walsh Katrine | 26 |
| Hudson Bay | 9 | Woman Lake | 25 |

SPECIAL SECTION

Leaside .................... 15-22

# FRONTENAC GAS SALES UP 40 P. C.

## Earnings This Year to Show $4 Share on Common

## PRODUCTION TREBLED

### Plant Facilities Being Extended and Numerous Service Stations Added

From Our Own Correspondent

MONTREAL.—Current operations of McColl-Frontenac Oil Company are on a much wider scale than last year and earnings, as intimated at the directors' meeting last week, will run about $4 a share on the common stock for 1928.

It is understood that the sales of gasoline are up from 30 to 40 per cent. over those for the first eight months of 1927, while at the same time sales of lubricating oil have advanced from 75 to 80 per cent.

This substantial increase in the public demand for the products of the company has necessitated the enlargement of the company's manufacturing facilities. Refining capacity of the Montreal plant is being increased by about 50 per cent. to cope with the greater business. Preparations also have been begun to duplicate the Montreal units in Toronto for refining Cyclo gasoline. The additional units in Montreal will be used for the refining of Marathon Hi-Test gasoline.

**Will Effect Economy**

The electrical equipment at the Montreal plant has been doubled. This will be the means of effecting a considerable savings. A further economy of from $15,000 to $20,000 a year will result from the new storage tanks recently constructed here.

Additional railway tank cars have been ordered by the company, which will ensure larger and more rapid distribution.

It is expected that the storage capacity of the Montreal tanks will be around 15,000,000 gallons by the end of this year.

Considerable thought has been given by the McColl-Frontenac management to building up an efficient distribution system, resulting from the large increase in the sale of gasoline and lubricating oils.

Hitherto the sale of Cyclo gasoline, for which the company has exclusive rights in Canada, has been largely confined to the Montreal area. Although production of this type of gasoline has been increasing rapidly, the demand has been so great that it has not been possible to take care of all the requirements of outside divisions.

The introduction of Marathon Hi-Test gasoline in Montreal and elsewhere has been attendant with a good increase in sales.

The construction of the Cyclo manufacturing unit in Toronto and the erection of additional equipment at Montreal for the production of Marathon gasoline, will assure a larger and more adequate supply to meet the needs of the trade.

**Build New Stations**

One of the interesting developments that has taken place this year, is the rapid expansion of the company's service stations.

Since May last, ten new standard stations have been placed in operation in Montreal. Twelve more are planned for the same area. Further, it is expected that 80 new stations will soon be operating in the eastern division, which covers the territory east of Kingston, but does not include the Maritimes.

Stations are also being established in Quebec City, Sherbrooke and Three Rivers.

**Develop Western Market**

It will be recalled that the old McColl company was one of the first in the field and its wide connections throughout the Dominion have proved of value to McColl-Frontenac. Up to the present the western territory has not been fully developed, but it is understood that the management has under consideration the establishment of super-stations in Winnipeg, Calgary, Edmonton and Vancouver.

These super-stations are much more elaborate than those in the East, although they are more or less common in the West. In addition to the usual service of supplying gasoline and oil, these stations do minor mechanical repairing, change tires; in fact, all the small work done in a garage.

While nothing official has been said, it is understood that McColl-Frontenac will follow the lead of the other oil companies in that no balance sheet will be published for 1928.

**Latimer Joins Bain & Co.**

H. R. Bain & Company, bond dealers, Toronto, announce that Major W. H. Latimer has become associated with their firm. Major Latimer, who is a member of the Ontario Bar, was formerly associated with the investment house of Murray & Company, Toronto.

**Canada Dry Buys Plant**

Announcement is expected shortly of Canada Dry's acquisition of another ginger-ale plant, in New England.

# How International Petroleum Production Leaps Upward

| | Colombia | Peru | Total |
|---|---|---|---|
| 1921 | 66,480 | 2,852,006 | 2,918,486 |
| 1922 | 322,598 | 4,388,944 | 4,711,542 |
| 1923 | 424,876 | 4,637,112 | 5,061,988 |
| 1924 | 444,743 | 6,476,660 | 6,921,403 |
| 1925 | 1,006,707 | 7,347,610 | 8,354,317 |
| 1926 | 6,443,540 | 8,632,106 | 15,075,646 |
| 1927 | 15,002,175 | 7,768,139 | 22,770,314 |
| 1928 (9 mos.) | 14,887,272 | 6,831,569 | 21,718,839 |
| 1928 (12 mos.)* | 19,850,700 | 9,108,800 | 28,959,500 |

*Estimated.

## NATION'S BUSINESS

(Continued from page 1)

is not taxed in Montreal. They are asking the City Council to help them by imposing a 1½ per cent. tax on outsiders. This tax, of course, would effectually shut out competition, but would be unjust to those building in Toronto and un-Canadian in policy.

The Financial Post has several times pointed out the handicaps on Toronto business because of excessive municipal taxation and vexatious regulation. The matter was brought up some years ago by Sir Edward Kemp when he showed how much more it cost him to produce goods in his Toronto plant as compared with his Montreal plant, owing to Toronto's business taxes.

The remedy, however, is not to tax outsiders. It would merely add further to the resentment felt throughout the Dominion toward Toronto. Moreover, if every city or district were to hedge itself about with its own tariffs against the rest of Canada, we might as well go back to the old provincial days. We cannot build up a free trade Canada, leading to a free-trade Empire, if we put tariff walls about a lot of municipalities and provinces.

The Toronto branch of the Canadian Manufacturers' Association took up the Kemp case, but unfortunately they exert as little weight at the City Hall in Toronto as they do in Western Canada. Perhaps the builders might now rally the Manufacturers' Association, the Board of Trade and other business organizations who suffer from the handicaps imposed by Toronto, and induce the Council to put the city's commerce and industry on the same footing as other centres by reducing the heavy business and income taxes.

## Tape Readings

**Laura Secord**

Scanning the Laura Secord report, one gathers that more than $5 per share might have been shown. A special inventory reserve of $40,000, for instance, is perhaps an unnecessary precaution.

* * *

**Lake Superior Corp.**

Steady climb of Lake Superior Corp. stock is interpreted as meaning that hopes for the permanent establishment of earnings and expansion of Algoma Steel are rising in the breasts of the Canadian group who have obtained control of this New Jersey corporation.

* * *

**Muirhead's**

Muirhead's Cafeterias are doing a good business, comes a reassuring statement. The common stock has suffered in the market in the last several months along with many other stocks of comparatively small companies. Earnings are reported to be satisfactory. The new restaurant in Toronto is up to expectations. The Adelaide Street cafeteria, open nights for about a year, does a satisfactory evening business although the after-theatre sleeves continue to repose on the marble tops.

* * *

**Waterloo Manufacturing**

Waterloo Manufacturing is not to be sold to a United States concern. If there were bids, the bids were not seriously considered by Mr. Playfair and his associates, it is reported. Mr. Playfair evidently thinks that his new enterprise is good enough to keep.

* * *

**Hedging in Rubber**

In answering an inquirer, the Wall Street Journal suggests that the big rubber companies in the United States might prevent their periodical appalling write-offs in inventory by hedging their purchases of crude rubber, as is done by millers with grain. The crude-rubber exchange was not big enough for this until recently, and the larger United States companies might have been prevented from so using its facilities this year because they were tied up in an equalization scheme which had been worked in retaliation for, or to ameliorate the effects of, the Stevenson restrictions. Goodyear of Canada must have been hedging its commitments in the early months of this year to have averted a loss on inventory.

* * *

Shareholders at the Goodyear meeting purred, as well they might. But one observer left with the impression that the report, although moved and seconded, was not adopted. There were two or three resolutions before the meeting at one time and it is believed that the one relating to the report was overlooked in the enthusiasm. The stickler for parliamentary etiquette may listen closely to Mr. Berkinshaw's reading of the minutes next year.

* * *

**City Dairy**

City Dairy earnings are said to be about the same for September this year as last. There was a one-cent increase in milk on September 1st, but it is said that the owner of the cow gets it. Beef is high and the cow that fails to maintain a good milk record is doomed to be sold for beef at present. So the milk from the better cows commands a higher price.

* * *

**Bruck Silk**

Some persons who are believed to knows something about the textile industry look askance at the rapid rise in Bruck Silk stock.

* * *

**Canadian Utilities**

A Montreal broker says that Canadian Utility stocks should sell higher and a Toronto broker points to higher yields from similarly high-grade utilities in the United States. But the Ontario Hydro likely will be the only Canadian utility subjected to an investigation by a committee of the United States congress.

## INTER. PETE CRUDE SALES LEAP AHEAD

(Continued from page 1)

they admit that the situation is more hopeful now than it has been for several years.

At no time in the period of low-priced crude has International Petroleum not been able to show a profit on its operations. Thus, with production from Colombia increasing very rapidly, it is argued that profits of International Petroleum are increasing materially despite the unsatisfactory situation in the world-market.

**Pipe Line Carries More**

As it will be seen from the accompanying table, International Petroleum in the current year will have a production of nearly 29,000,000 barrels, compared with 22,000,000 barrels in the previous year. The pipe line of the Andian National Corp. in Colombia, which was built to bring 50,000 barrels of crude to the sea every day, actually is averaging 55,000 barrels daily. The pipe line is in use every day in the year.

Reports that the capacity of this pipe line is being increased is denied by an Imperial Oil official. Andian National Corp. shares have been stronger in New York in the last few days. Presumably the renewed interest in this stock is attributable to the actvity in International Petroleum.

## INDUSTRY IN DANGER AND PROFITS VANISH WITH PRICE CUTTING

(Continued from page 1)

entirely out of hand for prices are not yet down to the 1913 level. Further price cutting by the other companies will not produce one cent's worth of new business for the industry as a whole. Hence holders of newsprint securities are praying that the present reduction will put a complete end to the price cutting tactics of this year.

Fifty dollar newsprint in 1929 means a severe reduction in profits of all the newsprint companies. Most of the companies will continue to meet preferred dividend requirements as virtually all the operators have reserves set aside for this purpose. How earnings on the common shares will be affected may be judged from the fact that International Paper already is not earning its preferred dividends, let alone common dividends.

New York gossip indicates, though, that this company will pay its next common dividend.

**Abitibi Chicago Contract**

Although gossip says the Abitibi has made a contract with the Chicago News, yet the best information which The Financial Post can obtain indicates that all the details of the contract have not yet been arranged to the satisfaction of both parties.

It is rumored that Abitibi, as well as International, was angling for the Hearst contract. However, Abitibi would not sell under a long term contract at reduced prices and the business went to International Paper.

As all newsprint contracts include a clause which provides for a drop in prices, the price cut will affect all the companies in Canada, save Lake St. John Power and Paper which in its contract with Hearst has stipulations touching both a minimum and maximum price for its production.

**$30,000,000 Yearly Loss**

The cut in price means that the Dominion loses some $30,000,000 annually—a large proportion of which went to assure the maintenance of the forests in perpetuity. This in itself is unsatisfactory from a national viewpoint.

At the moment the newsprint companies are not in a tight corner for virtually all occupy a strong financial position. At $50 a ton it appears that the companies will earn fixed charges and possibly the full amount of their preferred dividend requirements — but certainly no more. Moreover, depletion and depreciation charges will have to be scaled down.

**Stocks Will Decline**

While the newsprint stocks are slumping and while at the moment there is no chance of any appreciation whatever in these securities, the real struggle in the industry will not commence unless the $50 price prevails for some time. Really grievous times can not come in the industry while all the companies are in the strong financial position which they now occupy.

While thoughful observers of the industry naturally are crêpe-hanging, yet they feel that it is more than possible that consumption may once again begin creeping up to the total capacities of the North American mills before the companies actually begin to feel the need of ready money. All of which has little bearing on the immediate market course of the newsprint stocks.

The average cost of manufacturing newsprint in Canada, after allowing for depletion and depreciation amounts to between $40 and $45 a ton. This figure is a conservative estimate. In some instances the profit of only $5 a ton which the companies will make might not meet fixed charges. The passing of preferred dividends in the industry, though, will only follow a prolonged period with newsprint at the $50 figure.

Some criticism is heard here on International's policy of paying common dividends when earnings are below even the preferred dividend requirements. It is hard to reason out the causes of the company's policy. It is equally impossible to ascertain the reason for the remarkable strength exhibited by the shares of International Paper during a period when all the other newsprint stocks have exhibited much greater weakness.

**Has Remarkable Assets**

True, International has large assets from which earnings are growing and will continue to grow, but with newsprint at $50 a ton it is said that the immediate potential earnings of the company do not warrant common stock dividend payments.

The market action of International Paper's shares, even though they have declined, certainly indicates something of the strength of Archibald Graustein's financial backing. Mr. Graustein heads International Paper and has been responsible for that company's extensive growth.

The Canadian newsprint mills dominate the industry. If the Canadian producers would get together, prices could be maintained at a figure which would not endanger the future of the Canadian forests. All the Canadian producers can be divided into three groups.

**Difficulties In the Way**

Touching the possibility of more or less immediate co-operation among these groups, a leading investment banker told The Financial Post that "if the men behind the industry can get together and adjust their differences, they deserve to make the losses which must follow the recent price reduction."

However, the bringing of the various interests together is more difficult than it might seem for among the points which have to be worked out is the need of some companies for a greater share of earnings to meet larger fixed charges, and the effect of any betterment in prices on the high cost producers of the U. S.

It is certain that a year of thin times in the industry will certainly tend to eliminate from the trade some of the high cost, small producers of the U. S. which have been not an insignificant factor in the trend toward lower prices during the past few years.

## C.P.R. WILL MAKE RECORDS WITH 1928 EARNINGS REPORT

(Continued from page 1)

its control of Consolidated Mining and Smelting. This company, the largest in the world in its relative position, is in reality the mining department of Canadian Pacific. In practically every instance the railroads of the United States, through political pressure or through manipulation for the benefit of a small group of insiders, have been forced to distribute their extraneous assets in the natural resources of the territory in which they operate. The opposite is true of C.P.R. There is no dark blot of financial jugglery on its history, through which assets in lands and mineral were "farmed" out for the benefit of the few. The trust has been carefully guarded, the original holdings added to when opportunity presented, until to-day investment in C.P.R. is bulwarked with assets in natural resources beyond that which can be exhibited by any company on the continent. There is scarcely an operation of this nature which the transportation company does not stand to benefit from—timber, coal, lands, townsites, oil, natural gas and minerals.

The financial position of Consolidated Mining and Smelting and its relationship to C.P.R., was analyzed in a previous article. Its development has been truly one of the great romances of the mining industry. Since its inception to the first of this year it produced and treated 12,590,450 tons of ore, from which was extracted 2,164,416 ounces of gold; 61,690,374 ounces of silver; 1,769,198,895 pounds of lead; 142,735,018 pounds of copper and 709,891,987 pounds of zinc. Its British Columbia mine produces one-twelfth and one-sixteenth of all the lead and zinc used in the world. More important from the standpoint of the investor, these British Columbia ore bodies on conservative estimation hold sufficient metals to supply an even larger percentage of world requirements for 55 years.

**Research Going On**

The research and exploration department is operating in every mineral field in the Dominion, and in many of these options and leases have been taken against the date when the company may expand its operations profitably in this direction. No balance sheet of Smelters is available. In such an instance the only approximate valuation is the market value. At this writing the market places a valuation of $290 per share, or $147,550,270. This places Canadian Pacific's holdings of 249,166 shares at $72,258,140. Its equity in Smelters is slightly in excess of $25 for each ordinary share.

In five years Smelters has paid dividends totaling $31.26 per share, in the aggregate $7,784,927.36. Its dividend in 1927 was the largest to date, an indication of the rising trend of profits from operations the last several years, totaling $6,358,875. Of this amount Canadian Pacific received $2,914,179 or over $1 per share on the ordinary shares outstanding.

**Management Conservative**

Smelters has made large additions to property account and has set up huge reserves. The same conservative attitude apparent in the accounts of the railroad company have been maintained. From this it must be concluded that Smelters' upward trend in operations and profits should be reflected in larger, rather than lesser disbursements, which would tend to swell Canadian Pacific's special income account at a time when revenues from railroad operations threaten to compete with the largest returns on record.

From the above it is seen that an investment in Canadian Pacific ordinary shares is an investment in the mining future of Canada, as well as the various other phases of industry and transportation the company touches.

From the one hundred investors and stock market operators previously cited, the writer received various other interesting points of view. Among these, "the low income return from C.P.R. makes it a bond rather than a stock," "the high market price places it in the rich man's class," and "the failure of the company to look forward to a segregation of assets." These, and various other opinions on C.P.R. will be answered in a subsequent article, looking toward the future, and there will also be presented the attitude of Canadian Pacific's officers and directors toward segregation of assets

## C.P.R. EQUIPMENT KEPT UP TO DATE

(Continued from page 1)

of Consolidated "Smelters." This company, in addition to its mines in B. C., has holdings in virtually every mineral area in the Dominion and also in Newfoundland. Consolidated "Smelters" should stand every chance of reaping a rich reward from future developments in many mineral areas. The finding of but one real mine among its extensive acreage would repay a thousandfold the not insubstantial sums which this subsidiary of C. P. R. annually expends on preliminary mineral development work. Through its background of successful mining operations, Consolidated "Smelters" undoubtedly stands a better chance than most operators of developing paying properties.

Steamship passenger traffic on the St. Lawrence has developed with such extraordinary rapidity since the close of the war, and more particularly in the last few years, that the Canadian Pacific Steamships now feels justified in placing a first-class liner of 40,000 tons gross register on the Southampton-Quebec route.

**Will be 730 Feet Long**

The new vessel will be 730 feet in length, 97 feet wide, and will have a sea speed of 24 knots, which will enable her to make the trip from Southampton to Quebec in five days. She will be named the "Empress of Britain," which was formerly the name of the R.M.S. Montroyal, always a well-known and popular liner on the St. Lawrence, and is expected to take her place in the service on the opening of navigation in 1931.

Mr. Beatty's announcement confirms the opinion current here in shipping circles that the heavy shipbuilding programme carried on by the Canadian Pacific in the last two years would be rounded out by the addition of a new Empress for the Southampton-Cherbourg-Quebec service, although it was not anticipated that she would take on such huge proportions.

Not for many years has such a programme, as that which enters its final stages with the laying down of the new Empress, been carried out by one shipping company, there having been commenced and launched during the four years, ending in the spring of 1931, five super-cargo ships of the "Beaver" class, four 20,000-ton "Duchess" liners, the Empress of Japan, now building for the trans-Pacific service of the Canadian Pacific, and also the Empress of Britain for the Atlantic. When these vessels are completed, the Canadian Pacific will have a fleet of 465,367 tons in daily service, and operating on routes that stretch two-thirds around the globe.

## ARNOLD BROS. PLAN SEEN AS ASSURANCE OF FUTURE SUCCESS

(Continued from page 1)

the preferred holders agreed to the change and the probability that the bulk of the outstanding preferred will be exchanged for Consolidated Food Class A, the reaction on the common stock, it is believed, will be highly favorable. Some strengthening has been noticeable in the last week or two, the common selling around 10, compared to a low for the year of 5 to 5½. While the proposed exchange of preferred is believed to be in the interest of the holders of that stock, the rehabilitation of the company which will follow establishment of a sound financial position likewise will benefit the common stock, especially as that issue will be in line for dividends at an earlier date.

**Maximum Is Nine Per Cent.**

With the Class A stock of Consolidated Food Products on a $1.50 dividend, the Arnold preferred holders will be in receipt of $4.50 annually for each share of Arnold preferred so exchanged. The Arnold preferred is 7 per cent. cumulative and is at present five quarters, or 8¾ per cent. in arrears. Resumption of dividends on the preferred is only a remote possibility and it is believed that it would be years before the Arnold stores would be in position to pay arrears.

It is stated that Consolidated Food Products will have the cash to begin payments on the Class A stock from earnings received from Pure Food Stores, the other subsidiary of Consolidated Food Products, and originally the chain established by Mr. Zahler, now the president and general manager of the combined enterprises.

The alternative facing Arnold Bros. preferred holders is waiting indefinitely for dividends on their preferred or accepting a proposition which will assure them 4½ per cent. on their investment immediately and the prospect of ultimately receiving 9 per cent. per year on the par value of the Arnold preferred to be turned in.

**Further Financing Mooted**

Provisions of the proposed Class A stock of Consolidated Food Products are summarized as follows:

Preferred as to dividends up to $1.50 per annum, non-cumulative; participating as to dividends on the common up to $1.50, making a total of $3 on the Class A and the equivalent of 9 per cent. on the Arnold preferred to be exchanged for the Class A. This stock also is redeemable at $40, or the equivalent of $120 for the Arnold preferred and will be entitled to $40 of assets in the event of voluntary liquidation and the par of $35 in the event of involuntary liquidation. Class A shares will have no voting power except as regards amendment or modification of provisions affecting this stock.

Consolidated Food Products reserves the right to withdraw the offer if it is not accepted by holders of 75 per cent. of the Arnold preferred. Consolidated Food Products purposes to have its charter amended authorizing the issue of 60,000 Class A shares. Conversion of the Arnold preferred will require 30,345 shares and the remainder will be kept in the treasury for further financing of the enterprise when required. There are 10,115 shares of Arnold Bros. preferred of $100 par value outstanding.

Consolidated Food Products was organized early in 1928 at the instance of Wood, Gundy & Co., sponsors of the first-mortgage bonds on Arnold Bros. property. The holding company offered its own stock in exchange for Arnold Bros. common on a share-for-share basis while common shareholders of Pure Food Stores were offered two shares of the stock of the new company for one share of Pure Food Stores. M. Zahler, who had built the Pure Food chain, became general manager.

**Preferred to Benefit**

Pure Food Stores then was, and now is, operating at a profit. Arnold Bros., on the other hand, had an operating loss of $186,000, after bond interest, in the fourteen months ended March 31, 1928. It is understood that a remarkable change was effected for the first four months, ended July 31, and preliminary reports indicate that Arnold Bros. will have an operating profit after bond interest but before depreciation, for the current year.

Elimination of the arrears of dividend on the Arnold Bros. preferred is considered one of the important moves to assure rapid rehabilitation of the properties, and the merging of the profits of the two enterprises which will be possible when the Arnold Bros. preferred is exchanged for the Class A stock of Consolidated Food Products, it is believed, will react to the benefit of those preferred holders who accept the offer.

**Bonds Well Secured**

There is ample security for the Arnold Bros. bonds, of which there are $1,291,000 outstanding as of March 31. Land, buildings and equipment are carried in the balance sheet of Consolidated Food Products at $2,863,853. Of this amount, the freehold and leasehold properties of Arnold Bros. are valued, it is said, at about $2,400,000. The company at the time of the bond issue owned 50 properties outright and owned leases on 55 other properties. Certain of the freehold properties are for sale, but the directors are said not to be in a hurry to dispose of them in view of the fact that they are mostly properties in thriving neighborhood business districts of Toronto.

The balance sheet of Consolidated Food Products as at March 31 last, accompanies the circular to Arnold preferred shareholders. As is intimated in the letter, the balance sheet indicates that the company at this time conveniently could use additional working capital. Cash totalled $25,379. Inventories totalled $468,824 and other items brought the current assets up to $566,085. Current liabilities, mostly liabilities to the trade, totalled $351,459.

**Will Get Cash**

Unsatisfactory cash position of Arnold Bros. which has prevailed for a year or more has reacted against the company in some respects among its patrons, in the trade and in the personnel. Certain other chain-store organizations, it is reported, have succeeded in weaning valued employees from Arnold Bros. Lack of cash occasionally made it difficult for the company to finance its purchases on the best terms. The personnel problem made it difficult to improve the service in the stores.

Acceptance of the proposal by Arnold preferred holders will pave the way, it is reported, to some temporary financing which will give the company ample working capital. Financial interests which have been watching the enterprise under the new management in the last several months are confident that it can be established on a sound basis and this backing, it is believed, will have a tangible effect in the trade and in assisting the management to build up an operating personnel equal to any in Canada.

The company will continue to operate stores selling meat, groceries and fruits as a general policy. In some instances, the fruit and vegetable departments have proved highly profitable and in others have been operating at a loss. This department is one which requires expert personal direction and its success or failure in individual stores cannot be governed by a centralized control.


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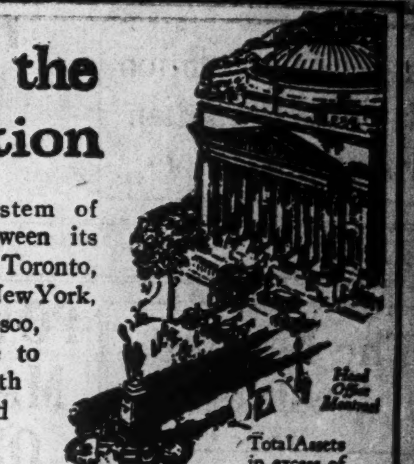

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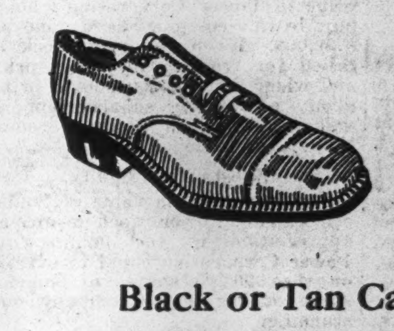
Church's British Shoes



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We specialize in making people comfortable.
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A business man's shoes in every sense.

Natural Tread Shoes Distributing Co. Ltd.
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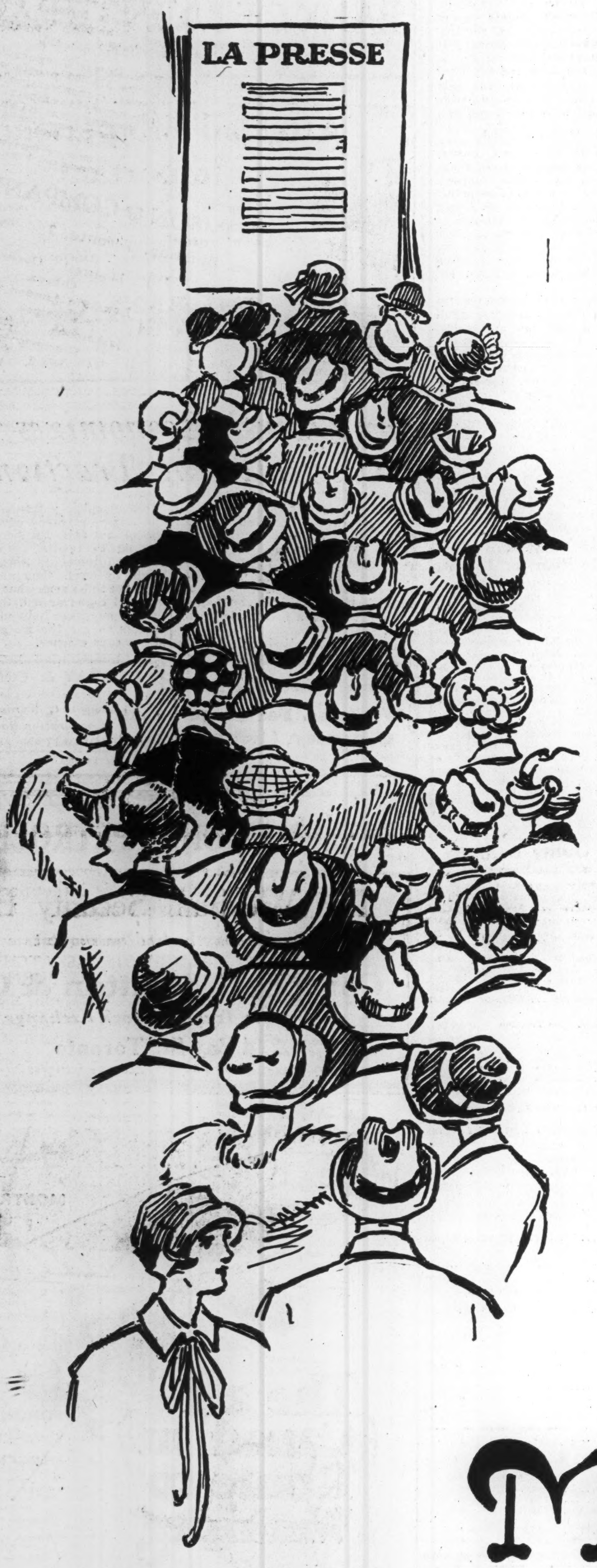
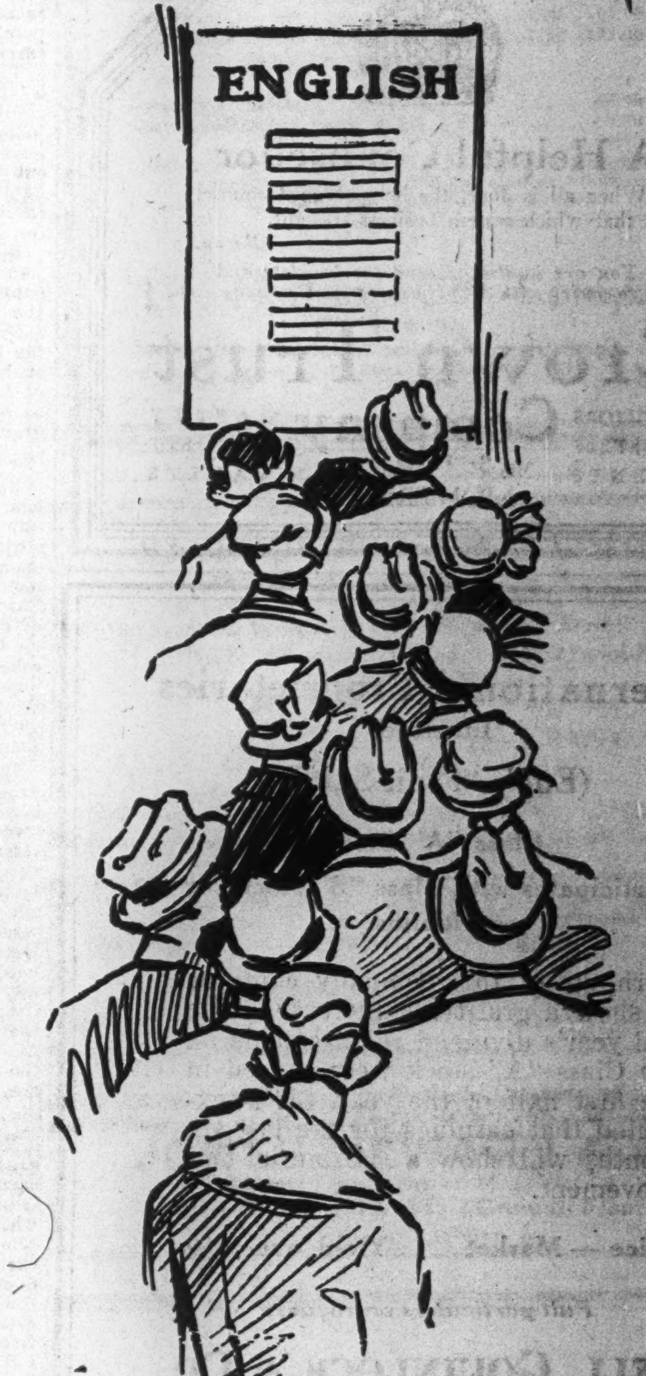
# In the Language they understand

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Participates with Class "B" stock for dividends.

Earnings of this company continue to show a gratifying increase. The full year's dividend requirements on the Class "A" stock were earned in the first half of the year. It is expected that earnings for the last six months will show a substantial improvement.

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Hamilton


# *Public Utility Investments*

# Canada Steamships Handle Big Volume Traffic This Season

### End of Season Will Show Profitable Results

### ALL BRANCHES BUSY

### Century Coal Subsidiary is Bright Feature — Plans Call for Large Expenditure

From Our Own Correspondent

MONTREAL.—With the close of navigation of the Great Lakes only a few weeks away, Canada Steamship Lines is marking up a very satisfactory year from the standpoint of both freight and passengers carried.

The big grain movement period is still ahead of the company, but results up to the end of September indicate that the company's ships have been actively engaged throughout the summer and that the final figures will show a volume of grain carried in excess of that recorded for 1927.

Between the opening of navigation and September 30, the company's boats carried eastward from the head of the lakes 47,921,312 bushels of wheat. In addition to this the C. S. L. fleet carried 9,261,553 bushels of oats, 10,696,381 bushels of barley, 2,627,124 bushels of rye, as well as $518,386 bushels of other grains.

**Larger Volume Expected**

For the whole of last year, Canada Steamship Line boats carried approximately 116,000,000 bushels. Owing to the comparatively late opening of navigation this year, the movement of grain down the St. Lawrence was delayed. As at the end of September some 70,000,000 bushels had been transported. With October and November, the two large months, to count upon there is every reason to expect that the volume for 1928 will be substantially higher than last year.

In some respects the movement of grain this year has been easier to handle than in former seasons. Instead of having ups and downs, the flow of grain this year has been very even. This has been due to the hand-to-mouth buying of the British miller, who, in view of the large wheat crops reported from the United States and Canada, has been holding off making large commitments until he could see which way the market was going. Consequently, there has been a steady and almost uninterrupted flow of grain from the head of the lakes to seaboard to meet current requirements.

**Other Freight Good**

While no definite information is available as to the quantity of ore carried in C. S. L. boats this year, it is understood that the total is somewhat larger than in 1927. In September last, the S. S. Donnacona carried two ore cargoes from Marquette to Sault Ste. Marie, Ont., for the Algoma Steel Company, which established a new record for the Great Lakes.

The final figures on package freight will not be available for some time, but to date the showing made is better than in 1927. For the whole of last year 743,000 tons of package freight was carried by the C. S. L. fleet. Favorable rates are in force at present, and with the package freight business continually expanding, the outlook for this department is very promising.

**Many Passengers Carried**

Equipped with new modern passenger vessels, the company is in a position to handle the greatly increased tourist traffic that has been recorded this year. A substantial proportion of the company's revenue is derived from its passenger steamships and it enjoys the advantage of being the only company operating boats of this class from Lake Superior to the Gulf of St. Lawrence.

The number of passengers carried last year aggregated 1,517,000, an increase of 75,000 over the 1926 figures.

The passenger season for this year is virtually ended and the figures, when available, are expected to show a healthy increase over those of 1927. Preliminary figures, however, show that some 40,000 passengers were carried on the Rapids Division. The Montreal-Saguenay division report the best season it has ever had. Passenger traffic on the upper lakes this season was normal. On the other hand, the Toronto-Niagara division only had a fair season.

**Big Expansion Program**

Plans have already been prepared, and in some instances announced, of new developments which the Canada Steamship Lines will carry out to care for increasing business. Two new package freighters are now under construction at the shipbuilding yards of its subsidiaries. The Rapids King will be remodelled this winter and converted from a night boat into a day boat. This will increase the passenger-carrying capacity of this well-known vessel. A new collier also is under construction.

Furthermore work is being pushed on the reconstruction of the Manoir Richelieu at Murray Bay. Some thing like $2,000,000 will be spent on this building, which will be completed in time for the opening of the 1929 season. This will be one of the finest summer resort buildings on the continent when completed.

**Century Coal Prospers**

An important development this year is the expansion of the company's subsidiary, the Century Coal Company. This concern has linked up with the Ford Company and has secured the rights to market Ford Coke throughout Ontario and Quebec.

Up to date some 45,000 tons of Ford Coke have been moved from Detroit to Toronto on the C. S. L. boats and an additional 25,000 tons to Montreal. This movement was on account [illegible] Century Coal Company.

In addition, Canada Steamship boats carried for the Ford Company approximately 70,000 tons of coke to the head of the lakes. This is all new traffic for the company.

**Better Profits Expected**

It is fully anticipated that the financial statement for 1928 will show a marked improvement over that for the preceding year. Between 1924 and 1927 the company's operating revenue increased by no less than $6,214,978. In the same period net earnings, after deduction of expenses but before provision for fixed charges, have grown from $1,656,027 to $4,166,357.

Last year a dividend of $900,000 was paid on the preferred, which left $2.86 a share available for the common, as compared with $2.59 in 1926. There was no dividend paid on the preferred in the three years prior to 1927 and nothing earned on the common in either 1925 or 1924.

Market activity in C. S. L. common stock, of which 63,934 shares of no par value out of an authorized issue of 125,000 are listed on the Canadian exchanges, is comparatively quiet. The common touched a high this year of 47½ and is currently selling around 37, after having touched a low of 30.

There is a large investment interest in the 6 per cent. first and general mortgage bonds of 1941, of which $17,946,000 are outstanding.

**His Own Firm**

W. C. PITFIELD,
who retired this week as vice-president and general manager of Royal Securities Corporation in order to form his own financial [illegible]

## Maritime Telephone Show Generally Healthy Growth

From Our Own Correspondent

MONTREAL. — With the bettered business situation of the Province of Nova Scotia, the Maritime Telegraph and Telephone Company is steadily expanding its services. During the month of September there was a net gain of 176 subscribers, which now total 35,951. The long distance traffic handled by the company is increasing very substantially and in September the total calls exceeded the total of any other previous month in the history of the company. During the past nine months the toll traffic of each individual month has exceeded the corresponding month's total of the preceding year.

## New England Power Set Up New Production Record

From Our Own Correspondent

MONTREAL. — While International Paper is receiving much lower prices for its paper output, its subsidiary, The New England Power Association, has established a new high output record by producing in one day over 5,000,000 kilowatt hours. The subsidiary power organization is producing electric energy at the rate of over 1,500 kilowatt hours a year. In 1910, the output for the entire year of the system was equal to only about seven days peak production of the present system. By the fall of 1930, the New England Power Association will have completed its Fifteen-Mile Falls hydro-electric development which will add another 500,000,000 kilowatt hours to the association.

**Complete T-C Highway**

The Manitoba Government has surveyors in the vicinity of Rennie in connection with running lines for the proposed Trans-Canada Highway, with a view to deciding on the best route to connect up with the Ontario portion of the highway.

# TWIN CITY CO. EARNS SURPLUS IN SEPTEMBER

### More Power for Less Money, More Riders, Are Reasons

Twin City Rapid Transit Co. revenue for September available for dividends on the common stock was $31,317, compared with a deficit after prior claims of about the same amount for the corresponding month of the previous year.

A letter from an official of the company attributes the improved earnings to an upward trend in passenger traffic and the fact that a larger supply of hydro-electric power was available at no additional cost to the company.

Twin City has a unique contract for power generated from Mississippi water. The traction company gets all the surplus power developed at the local hydro plant after certain other customers are supplied. The payments are fixed sums annually. At times when there is plenty of water, the company is able to save coal. In the first six months of 1927 there was a greater-than-normal supply of hydro power. There was a less-than-normal supply in the first half of this year. In September, however, there was a plentiful supply of hydro power and the company's coal bills were reduced correspondingly.

Twin City reports a deficit of $17,867 after fixed charges and taxes for the quarter ended September 30.

# WEST KOOTENAY PLAN BIG PLANT TO MEET NEEDS

### Preliminary Site Has Been Selected on Pend Oreille River

From Our Own Correspondent

MONTREAL.—Announcement is made that the West Kootenay Power Company is on the eve of building a huge hydro-electric plant on the Pend Oreille River. Permission has been granted by the British Columbia Minister of Lands to apply for license to harness the Pend Oreille River near the United States border, east of Trail.

It is understood that surveys for a giant power plant on the Pend Oreille are now in progress and the company's application for a water license is expected shortly. The size of the proposed development has not been revealed, but it will form one of the largest individual plants in the province, it is understood.

**Add to Reserves**

This project will add enormously to the power production of the interior power company, which needs all the electricity it can produce to serve its present consumers. The growing demands for Trail Smelter are believed to be behind the latest scheme of expansion.

While the Pend Oreille crosses the international boundary, the consent of the International Joint Commission on the boundary water will not be necessary in the power plant. The West Kootenay Power Company will dam the river but will not raise its level south of the boundary, thus avoiding the necessity of the Commission's approval.

**Power Demands Larger**

During the last year or two there has been a substantial increase in power demand through the West Kootenay Power Company. The revenue-producing load for the calendar year 1927 was 72,992 h.p., showing an increase over 1926, of 10,203 h.p. While this increase is practically all consumed by the Consolidated Mining and Smelting Company at Tadanac, demands from other sources have been well-maintained.

As the West Kootenay Power and Light Company is controlled through stock ownership by Consolidated Mining and Smelting Company, it is likely that the necessary funds in connection with the development of this proposed project will be advanced by the parent company and that no new financing will be undertaken.

**Inter. Tel & Tel. in Chile**

International Telephone and Telegraph Corp. announces that the President of Chile has signed a concession for its newly formed associated company, Compania Internacional de Radio, to operate international wireless service to and from Chile, including wireless telegraphy, wireless telephony, television, and facsimile transmission.

# ONTARIO HYDRO FIGHTS TO WIN HOLD IN BRUCE

### Southampton Voters Asked to Decide Point November 26

The council of the town of Southampton has decided to ask the opinion of the ratepayers on November 26 as to the advisability of the town entering into a contract with the Ontario Hydro-Electric Commission to supply power in the community. The council took this action on October 30, reversing the policy laid down, by a 4 to 3 vote, on October 27.

The W. B. Forshay interests of Minneapolis for some months have been attempting to weld together three or four small private power plants on Bruce peninsula, serving Wiarton, Walkerton, Chippawa Hill and Southhampton. The supply of hydro power is limited and the Forshay interests have signified their willingness to supply stand-by power plants equipped with Diesel engines.

**Call it Hydro Ground**

Hydro sentiment is not absent from Bruce peninsula and the franchise rights of the private company are questioned in court. The policy of the Ontario commission, as voiced by Commissioner Alfred Maguire, is that Bruce peninsula ought to be in the Hydro fold. If this is not the policy, the Hydro activities to get a hold at Southhampton are not explained.

The company so far bears a resemblance to the campaign at Sault Ste. Marie last year. The Hydro lost the fight in the January election after it had been learned that the Hydro was not in position to guarantee additional power for industries at Sault Ste. Marie.

It is reported that the Ontario Hydro offers Southampton current a four cents per kilowatt for the first 50 hours and two cents thereafter and a minimum rate of $1.39. The private company's offer is said to be a reduction in its present rate of 5 and 2½ cents to 4 and 2 cents and a minimum charge of $1.25.

## Quinte and Trent Valley Operate Plant in Toronto

From Our Own Correspondent

MONTREAL.—The Quinte and Trent Valley Power Company Limited, a subsidiary of the Canadian Paper Board Company, are supplying the power requirements of the latter company's new mill in Toronto. High pressure steam boilers and turbines capable of supplying some 3,000 h.p. are installed, and this plant will supply steam and electric power to the parent company under a long term lease.

In addition to this company Quinte and Trent Valley Power own and operate plants at Campbellford and Frankford with an installed total capacity of 6,000 h.p. Investment interest is confined to the preferred stock and bonds of the company, all the common stock being held by the Canadian Paperboard Company.

## Public Utility Earnings

PUBLIC UTILITY EARNINGS—

| September— | 1928 | 1927 |
|---|---|---|
| Gross earn. | $ 54,875 | $ 55,816 |
| Net earn. | 22,353 | 22,178 |
| Surplus after charges | 16,960 | 16,103 |
| 12 Mos. end. Sept. 30— | 1928 | 1927 |
| Gross earn. | $701,195 | $680,892 |
| Net earn. | 288,257 | 275,481 |
| Surplus after charges | $221,926 | $201,841 |

**Barcelona Traction**

| Sept.— | 1928 Pesetas | 1927 Pesetas | Increase Pesetas |
|---|---|---|---|
| Gross earn. | 7,202,215 | 6,914,893 | 287,322 |
| Oper. exp. | 2,167,489 | 2,233,931 | †66,442 |
| Net earn. | 5,034,726 | 4,680,962 | 353,764 |
| Aggre. gross from Jan. 1 | 66,642,616 | 64,002,980 | 2,639,636 |
| Aggre. net from Jan. 1 | 46,572,687 | 44,373,953 | 2,198,734 |

†—Decrease.

**Twin City**

| 3rd Quarter— | 1928 $ | 1927 $ | 1926 $ |
|---|---|---|---|
| Gross | 2,941,371 | 3,008,836 | 3,153,679 |
| Bal. aft. exp. | 558,917 | 608,060 | 738,875 |
| Def. aft. tax & fixed chgs. | 17,867 | †93,663 | †185,155 |
| 9 Mos. end. Sept. 30— | 1928 | 1927 | 1926 |
| Gross | 9,817,622 | 9,883,113 | 10,370,890 |
| Bal. aft. exp. | 2,330,622 | 2,470,769 | 2,597,428 |
| Net inc. aft. tax & fix. chgs. | 555,804 | 838,058 | 879,155 |

†—Net income.

**Duluth-Superior Traction**

| 3rd Quarter— | 1928 | 1927 | % Inc. or Dec. |
|---|---|---|---|
| Gross rev. | 432,277 | 445,292 | — 2.92 |
| Oper. exp. | 363,194 | 366,031 | — .78 |
| Net rev. | 69,083 | 79,261 | —12.84 |
| Fixed chgs. & tax. | 78,777 | 77,135 | — 2.13 |
| Net income | 9,694 | 2,126— | |
| 9 Mos. end. Sept. 30— | 1928 | 1927 | % Inc. or Dec. |
| Gross rev. | 1,446,921 | 1,495,871 | — 3.27 |
| Oper. exp. | 1,156,172 | 1,162,812 | — .57 |
| Net rev. | 290,748 | 333,059 | —12.70 |
| Fixed chgs. & tax. | 247,196 | 240,514 | — 2.78 |
| Net income | 43,551 | 92,544 | —52.94 |

# *Southern Canada Power Splits Stock Four for One*

From Our Own Correspondent

MONTREAL. — Splitting of the common shares of Southern Canada Power Company on the basis of four for one, was authorized and the by-law passed by the directors of the company, subject to ratification by the preferred and common shareholders.

This rearrangement of capital is primarily for the purpose of providing for a wider distribution of the common stock of the company. At present there are 100,000 shares of no par common stock outstanding, which, under the new arrangement, will be increased to 400,000 shares.

Application will be made by the company to increase the capital stock to 500,000 shares, which will cover the split and leave 100,000 shares in the treasury, to provide for the future requirements of the company.

**Protect Preferred**

As the preferred shareholders now have the right to participate equally with the common shareholders, between $6 and $7 a share, to fully protect this right to participate in the new setup, it is proposed, in the event of the new common shares paying over $1.50 a share, which would be equivalent in the present setup to $6 a share, that the preferred shares shall participate in such a way that, when the common dividend is $1.75 a share, the preferred shares will receive $7 a share and proportionately between these two accounts.

Earnings of Southern Canada Power this year show an appreciable increase over those for the corresponding months of 1927. There has been an active demand for power due to the greater activity of the industries located within the territory served by the company.

**Report Higher Earnings**

It is estimated that earnings for the fiscal year, ended September 30 last, amounted to over $5 a share on the 10,000 shares of common stock then outstanding. With the exception of 1925, when a slight drop was reported, earnings on the common have shown a steady increase from $1.37 in 1923, to $3.01 in 1927. It should also be considered that during this period there has been an increase in capitalization.

The declaration of this stock split was totally unexpected, as is evidenced by the stock market action of Southern Canada Power stock during the past few weeks. For some time the market value of the common shares hung around $150. With the news of the split, the stock jumped nearly 30 points and is currently selling about $180.

Among brokers here it is expected that the new stock will sell at about $50 a share.


# MONTREAL *the Power City*

Ease in obtaining raw materials and plentiful power for industries are bound to produce prosperity. To supplement the 300,000 h.p. it supplies to Montreal at present, this Company has a reserve of 200,000 h.p., to which will be added within eighteen months another 100,000 h.p., in anticipation of greater requirements.

Montreal Light, Heat & Power
CONSOLIDATED



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CANADA NORTHERN POWER 5%

McCOLL FRONTENAC OIL 6%

RELIANCE GRAIN 6½%

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**Canada Northern Power** Corporation furnishes power to the rapidly growing districts of Northern Ontario and Quebec.
5% Bonds, 1953 Price 98.50 *To yield 5.10%*

**Demand for all McColl-Frontenac products,** including anti-knock "Cyclo" gas now taxing capacity of plants.
6% Preferred Price 91.00 *To yield 6.59%*

**Reliance Grain Company** will benefit materially from this year's bumper grain crop of the prairies.
6½% Preferred Price 99.00 *To yield 6.55%*

**B. C. Power Corporation** serves 375,000 people with power, transportation and gas in one of the most rapidly growing areas in Canada.
Common Shares Class "A". Price—Market

*We invite your inquiries for investment service.*

**NESBITT, THOMSON & COMPANY** LIMITED

Royal Bank Building, Toronto, 2

Montreal Quebec Ottawa Hamilton London, Ont. Winnipeg Saskatoon Victoria Vancouver

Y13


# *Say Duluth Economizes by Helping Traction Co.*

Although Duluth-Superior Traction reports a drop in gross and net revenue for the quarter ended September 30 and for the nine months ended September 30, in comparison with the corresponding periods of last year, it is reported from a semi-official source that the September earnings showed a marked improvement.

No reason is attributed for the improvement in patronage of Duluth and Superior trolley cars unless, as one official said, the people are beginning to realize the expense of driving automobiles when street cars might be used. General business is reported to be somewhat dull in Duluth and Superior and this, it is believed, may have induced automobile owners to use the more economical street cars oftener.


*Timely Investments*

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*Specializing in Government, Municipal and Corporation Bonds*

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ELGIN 8429-30 TORONTO



# INTERNATIONAL PETROLEUM

We have prepared an analysis in connection with the above company.

Copies may be had on request

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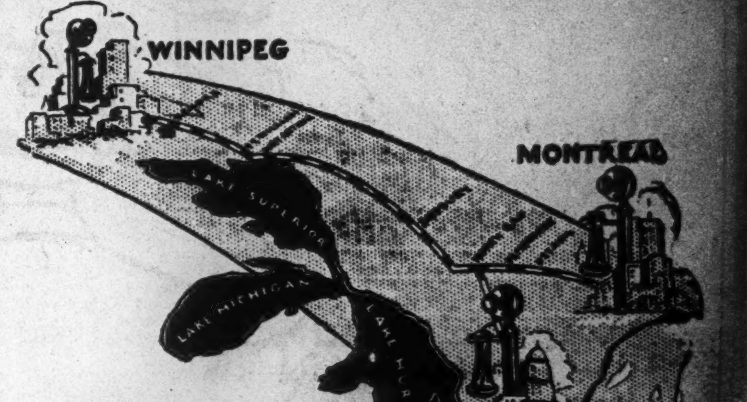
*Members Toronto Stock Exchange*

244 Bay St., Toronto






# The all Canadian Route to Winnipeg

*—a telephone achievement*

THE completion of the all-Canadian telephone route between Montreal and Winnipeg has now eliminated the necessity of switching by a round-about line through United States points. Bell Telephone subscribers are now able to get Port Arthur, Fort William and Winnipeg over this all-Canadian circuit in only a few minutes.

The completion of this line is an achievement in telephone engineering. The last gap to be bridged was the sparsely populated section between Sudbury and Fort William. The engineering of this circuit has been successfully accomplished and the transmission qualities have passed the most rigid tests.

The twin cities at the head of the lakes, as well as Winnipeg, are now only a few minutes away!

THE BELL TELEPHONE COMPANY OF CANADA

820

**David & Frère Limited**

**Class "A" Common Shares**

The Class "A" Common Shares are entitled to non-cumulative dividends at the rate of $2.25 per year, giving the attractive yield of 6.42%. These shares carry a bonus of 40% of Class "B" shares, which are to participate in the profits, if there remains a surplus available for dividends, after payment of $2.25 on the Class "A" shares; in the case of a further disbursement, both classes of shares will participate equally until the dividend of the Class "A" shares has been increased from $2.25 to $3.00 a share; all additional dividends declared shall be paid on the Class "B" shares only.

If a profit equal to that of 1927—$105,066—was to be disbursed in full, the Class "A" shares would be entitled to a dividend of $3 and the Class "B" shares to $1.56. The outlook is highly promising and we believe that these shares offer an exceptional investment.

**Price: $35.00 per Class "A" share and dividend.**

*Prospectus on request*

**RENE-T. LECLERC**
Incorporated
Montreal:- 240 St. James St. W.
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(ESTABLISHED 1901)
E256



A GUARANTEED FIRST MORTGAGE BOND

**Border Cities Company, Ltd.**

6½ Per Cent.

Maturity 5 to 10 years.
Denominations: $1000, $500 & $100
Legal Opinion: Long & Daly.
Legal Investment for Canadian Life and Fire Insurance Cos.

*Write for Circular to-day*
BOND DEPARTMENT
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LIMITED
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**$65,000,000.00**

This is the value of tobacco products manufactured annually by Canadian tobacco companies.

This requires approximately 35,000,000 lbs. of leaf tobacco.

Great Britain's annual requirements of tobacco are 200,000,000 lbs.

You may participate in this great industry by the purchase of

**ONTARIO TOBACCO PLANTATIONS LIMITED**
7% Preferred Stock

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**1000% PROFITS**

were made by Investors from an Investment of $320 in a Company manufacturing Ginger Ale.

We believe an investment in the shares of

**Kelly Dry — Pure Juice Corporation**

offers an opportunity comparable to the one mentioned. Full details will be gladly furnished without obligation.

*Write today for the prospectus*

*Name* ........................
*Address* ........................

Established 1910
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INVESTMENT BANKERS
132 St. James St. W., Montreal


# News of Investment Markets

## SEES FAR AHEAD, QUALITY CANNERS NEXT YEAR GOOD

### Dividend of 37½ Cents Per Share is Now Announced

In announcing a dividend of 37½ cents the share on the 80,000 shares of common stock outstanding, J. Way, president of Associated Quality Canners, informs shareholders that the profits for the year ending February 28 next will be in excess of the estimates at the time of stock issue early this year. Net earnings last year of the constituent companies were equal to $2.60 per share.

Improvement in earnings has been due to operating economies made possible by the merging of interests and are being achieved in spite of lower prices prevailing for certain staple products.

**To List Shares**

Mr. Way also says that it is reasonable to expect that earnings for the next fiscal year will be in excess of earnings for this year. Associated Quality Canners operates factories at Windsor, Cottam, McGregor, Harrow, Essex, Hamilton, Deseronto and Bloomfield, Ont. The issue price of the stock was $25 so that the dividend rate of $1.50 per year is a return of 6 per cent. on the original investment. The first payment is for the quarter ending November 30 and is payable December 1 to shareholders of record November 15.

It is announced that the shares will be listed on the Toronto stock exchange.

## RITCHIE CUT STONE BONDS YIELD 6.58%

### Stewart, Scully & Co. Finance New Toronto Plant for Company

Financing of the new factory of Ritchie Cut Stone Company, which is being built at New Toronto, took the form this week of an offering of $300,000 of first mortgage bonds made by Stewart Scully and Company.

The bonds are secured by a mortgage on the New Toronto and Hamilton plants.

The business is one that has been built up over a long term of years and enjoys an excellent reputation. Many new contracts have been obtained recently to supply stone to widely scattered buildings.

Particulars of the offering follow:

**$300,000**
**The Ritchie Cut Stone Company**
**6½% First (Closed) Mortgage 20-Year Sinking Fund Gold Bonds**

**Dated:** Sept. 1. 1928 **Due:** Sept. 1, 1948

| **Capitalization:** | Authorized | To be Issued |
|---|---|---|
| 6½% 1st mtge. bonds | $300,000 | $300,000 |
| 7% cum. red. pref. stock | 250,000 | 193,500 |
| Common stock, n.p.v. | 12,000 shs. | 10,000 shs. |

**Business:** Stone cutting plants are operated at Hamilton and New Toronto, the latter being now under construction.

**Purpose:** To finance New Toronto plant and provide additional working capital.

**Security:** First (closed) mortgage on lands, buildings and machinery, and floating charge on other assets.

**Assets:** Fixed assets $461,760 and total net assets $639,029.

**Earnings:** For three and a half years to July 31, 1928, net earnings after depreciation $31,852 yearly. Estimated, after New Toronto plant begins to operate, at $70,000 or three and a half times bond interest.

**Offered:** October, 1928, by Stewart, Scully & Co., at 99, to yield 6.58%.

## OFFER DEBENTURES OF FRASER CONCERN

### Proceeds Will be Used to Reimburse Company for Outlay

**From Our Own Correspondent**

MONTREAL.—Following up its announcement last week of an issue of $1,335,500, 15 year, series "A" gold bonds, Fraser Companies announce the issue this week of $1,000,000, 6½ per cent., 15 year, gold debentures, through Royal Securities Corporation and Wood Gundy and Company.

These debentures are a direct obligation of Fraser Companies, ranking equally with the $5,000,000, 6½ per cent., 15 year, gold debentures previously issued. Proceeds of this issue, together with the proceeds of the first mortgage bond issue made last week, will be used to refund in part, expenditures on additions to manufacturing capacity which are now virtually completed.

Particulars of the issue follow:

**$1,000,000**
**Fraser Companies, Limited**
**6½% 15-year Gold Debentures**

**Dated:** Oct. 1, 1927. **Due:** Oct. 1, 1942.

| **Capital—** (On completion of this financing) | Authorized | Outstanding |
|---|---|---|
| 6% First Mortgage Sinking Fund Gold Bonds, due 1950 | $10,000,000 | $8,689,000 |
| 6½% 15-year Gold Debentures | 6,000,000 | 6,000,000 |
| Common shares, no par value (paying $1 per share annual dividend | 381,750 shs. | 371,160 shs. |

**Rights:** Holders have right to purchase for $1,000 debentures held, 2 shares of n. p. v. common stock at $40 a share up to and including October 1, 1929; at $45 a share up to October 1, 1931; $50 a share up to and including October 1, 1933.

**Company:** Manufacturers of sulphite papers and bleached and easy-bleaching sulphite pulp. Also largest manufacturer of lumber products in Eastern Canada.

**Timber Properties:** Aggregate 4,000 square miles, and estimated to contain 20,000,000 cords of pulpwood.

**Assets:** Fixed assets, after deducting depreciation and depletion reserves at $5,007,259 has a book value as at August 31, 1928, of $21,464,924. Net current assets at the same date were $5,837,666, the total being $27,302,590.

**Earnings:** Average annual earnings for four years ended December 31, 1927, including Fraser Paper for 1927 and 1926 only, after deducting operating and maintenance expenses, taxes, bank interest, but before depreciation and depletion were $1,277,731. Earnings on the same basis for 1927 were $1,576,963.

**Offer:** Royal Securities Corporation and Wood, Gundy & Company at 106 and accrued, to yield over 5.85 per cent.

### STANDARD PAVING BONUS

Standard Paving shareholders will get a cash bonus of 37½ cents the share on November 15 for the quarter ended October 31. The regular dividend, payable on the same date, is 37½ cents.

Quebec Railway Light, Heat and Power Company will redeem all its outstanding 5 per cent. consolidated gold bonds, due December 1, 1939, on December 1, 1928, at 105. Payment will be made at the office of the Montreal Trust Company, Montreal; or at the Bank of Scotland, London, England.

All the outstanding first refunding mortgage 20 year 7 per cent. fund bonds of Howard Smith Paper Mills Limited will be redeemed on January 2nd at 105. Payment to be made at the principal office of the Royal Bank of Canada, Montreal or Toronto, or at the office or agency of Aldred & Company, New York City.

## Bond Notices

**BOND REDEMPTIONS**

| | Rate | Due | Redeem. | Price |
|---|---|---|---|---|
| St. Law. Paper Mills 10-yr. debs. | 6½% | 1929 | Jan. 2 | 102 |
| Que. R. L. H. & P. | 5% | 1939 | Dec. 1 | 105 |
| Canada Vinegars | 6½% | 1945 | Dec. 1 | 105 |
| Drummond Invest. | 6½% | 1938 | Nov. 1 | 105 |
| Mercury Mills | 6½% | 1942 | Nov. 15 | 105 |
| N. Bawlf Grain Co. | 6% | .... | Dec. 1 | 100½ |
| Howard Smith | [illegible]% | 1934 | Dec. 1 | 105 |
| Brompton P. & P. | 6% | 1935 | Nov. 1 | 105 |
| Rolland Paper | 6% | .... | Jan. 2 | 105 |
| Consumers Glass | 6% | 1935 | Nov. 1 | 100 |
| Lake Superior Paper | 6% | 1941 | Mar. 1 | 105 |
| Ft. William Pap. Co. | 6% | 1946 | Nov. 1 | 104¼ |
| Page Hersey Tubes | 6% | 1926 | Dec. 1 | 105 |
| Consumers' Gas | 6% | 1920 | Nov. 1 | 100 |
| Kam. Power Co. | 3½% | 1940 | Nov. 1 | 104 |
| Rolland Paper | 6% | 1932 | Jan. 2 | 105 |
| Can. Vinegars | 6½% | 1945 | Dec. 1 | 105 |
| Bawlf T. Grain | 6% | 1947 | Dec. 1 | 101½ |
| Abitibi Power | 8% | .... | Nov. 1 | 107½ |
| Abitibi Power | 6% | .... | Dec. 1 | Var. |

### Canadians Offered Bonds in Manchurian Enterprise

**From Our Own Correspondent**

MONTREAL. — Canadian participation in the $19,900,000 external loan 30 year, 5½ per cent. gold debenture bond issue of the Oriental Development Company, Limited, is being offered through the National City Company. The bonds are being sold at 90 and accrued interest to yield 6.24 per cent.

These bonds will be direct obligation of the Oriental Development Company, Limited. In addition, they are unconditionally guaranteed by the Imperial Japanese Government as to principal and interest.

Proceeds of this issue will be used for various development works in Manchuria, which are being sponsored, semi-officially, by the Japanese Government.

### Quebec Investment Houses Offer Institutional Bonds

**From Our Own Correspondent**

MONTREAL.—Bray, Caron and Dubé and le Corporation des Obligations Municipale Limitée and le Corporation de Prêts, are offering this week an issue of $300,000 of 6 per cent. first mortgage serial bonds, serially due from 1 to 15 years, of Les Institutions Catholiques Romaines de Bienfaisance pour le Diocese de Mayence. The bonds are offered at three different prices, namely, 1 to 5 years at 99.50; 6 to 10 years at 99 and 11 to 15 years at 98.

The material security back of this issue is represented by the properties of the institution which have an appraised value at double the amount of the present bond issue.

The revenues of the institution are sufficient to more than assure the payment of bond interest, and the purchase of the bonds as they fall due.

### Foshay Company Offers $1,750,000 Utility Bonds

An American syndicate offered this week $1,750,000 of first mortgage bonds of Public Utilities Consolidated Corporation. This corporation, which is under the management of the W. B. Foshay Company, of Minneapolis, controls public utility enterprises in 192 communities, including some in Ontario and Quebec. It recently entered Walkerton, Port Elgin and Southampton, Ontario, buying the local power plants.

### Canadian Carbonate Plan Another Montreal Plant

**From Our Own Correspondent**

MONTREAL. — Property has been purchased in Montreal by the Canadian Carbonate Limited, on which it proposes to erect a plant for the manufacture of carbonic acid gas. When completed, this will be the third plant operated in Montreal by Canadian Carbonate, and the second plant in the city where it will manufacture gas by the "Backhaus" process, the patent for the equipment and manufacture of which are the exclusive property of the company in Canada.

The company considers that the addition of the new plant will enable it to take care of its expansion business in the province of Quebec.

Furthermore, the board of directors has authorized the assistant general manager at Winnipeg to purchase a site in Edmonton for the erection of a factory to manufacture gas, using the coke system.

When the above plants are completed, the company will have in operation, nine factories situated as follows: Dartmouth, N.S.; Toronto and Hamilton, Ont.; St. Boniface, Man.; Edmonton, Alta.; Vancouver, B.C., and three plants in Montreal.

## This Week's Bond Sales

**City of Edmonton**

The City of Edmonton has sold $524,428, five per cent bonds, maturing in 10, 15, 20 and 30 years, to the Imperial Bank, at a price of 99.27, which is equal to a cost basis of 5.06 per cent. The bids were:

| | |
|---|---|
| Imperial Bank | 99.27 |
| Dominion Securities | 98.76 |
| Wood, Gundy & Co. | 98.577 |
| McLeod, Young & Weir | 98.43 |
| Fry, Mills, Spence & Co. | 98.13 |
| Bell, Gouinlock & Co. | 98.10 |
| Dyment, Anderson & Co. | 98.10 |
| Burges & Co., and J. L. Graham & Co. | 97.59 |

## Tenders and By-laws

**Nov. 5.—Preston.**—$41,027, 5%, 10 and 15-instal. local improvement debentures. E. G. Heise, clerk and treas.

**Nov. 12.—Parish of St. Foy, P.Q.**—$12,000, 5 per cent., serial bonds. J. Morin, sec.-treas.

**Nov. 12.—Township of Melbourne, P.Q.**—$30,000, 5 per cent. serial bonds. R. S. Dunbar, sec.-treas.

**Nov. 12.—Mun. of Clifton.**—$7,000, 5 per cent. 20-yr. serial bonds. J. M. Perusse, sec.-treas., Martinville.

**Nov. 6.—Kenogami, Que.**—$95,000, 5 per cent. 30-yr. serial.

**Dec. 1.—Shelburne.**—$70,000, 5 per cent. 20-instalment.

**Nov. 5.—Niagara Falls.**—$333,781, 5 and 5½ per cent., 10, 20 and 30-year local improvement debentures. R. E. Goddard, clerk.

## NEW ISSUE IS MADE OF PAINTS CONCERN

### International Paints Formed to Acquire Old Company

**From Our Own Correspondent**

MONTREAL.—A new issue of 28,000 shares of preferred stock of International Paints (Canada) Limited is being offered in Montreal by Williams Partridge and Rapley.

The company is one of a group of the largest manufacturers of marine paints in the world. It is estimated that it supplied one third of the world requirements for ship and bottom paints last year, and large quantities of paints for industrial use. Holland Varnish Company has a factory in Montreal, and International Paints operates its own plant in that city as well. The present financing will provide funds for the acquisition of these two companies and furnish the new company with working capital.

Plans are being prepared to enlarge the present plant of Holland Varnish. International Paints has the exclusive right to manufacture and distribute in Canada two special aeroplane varnishes, Titanine and Ti-Two Dopes. The company has also acquired all the trade marks, patents, formulae, etc., of International Paints and Compositions for use in Canada and Newfoundland.

Particulars of the issue are as follows:

**82,000 Shares**
**International Paints (Canada)**
**7½% Cum. Participating Preference**

| **Capital:** | Authorized | To be issued |
|---|---|---|
| Preferred stock, par value $30 per share | 28,000 | 28,000 |
| Class "A" (no par value) | 20,860 | 20,860 |
| Class "B" (no par value) | 7,140 | 7,140 |

The company has no funded debt and no other securities senior to the preferred shares.

**Company:** Formed to acquire International Paints (Canada), including all the issued share capital of National Varnish Co. of Canada, Holland Varnish Co. The company is one of a group of International companies, the parent of which is International Paint and Composition Company, Ltd., of London, Eng.

**Assets:** Total assets amount to $1,055,206; current assets $371,330 and current liabilities $75,206.

**Earnings:** Average net income for past two years of companies to be merged, before providing for depreciation and income taxes was $119,472, or about twice the preferred dividend requirements.

**Offer:** At $33.50 a share, with a bonus of 2½ shares of class "A" common with each 10 shares of preferred, by Williams, Partridge & Rapley, Ltd.

### More Bankruptcy But Liabilities Are Smaller

**From Our Own Correspondent**

MONTREAL. — Assignments under the Bankruptcy Act, as reported through the Bureau of Statistics, showed a considerable increase in September last, while the liabilities of the assigners showed a decrease. Commercial failures in Canada in September, 1928, number 164 as compared with 125 in the same month last year, and 142 in August, 1928. Liabilities of the assignors were $2,070,279, as compared wtih $2,845,749 in September, 1927, showing a substantial decrease, when compared with $2,254,312 in August, 1928, a decrease is also noted.

Trading establishments contributed as usual the largest number of failures, 78 assigning in September, 1928, as compared with 61 in September, 1927. There was also an increase in the number of assignments of manufacturing establishments. Agriculturists also showed an increase, while there was the usual number of failures in construction, transportation, etc.

### Canadian Brewing Earns More Than Last Year

**From Our Own Correspondent**

MONTREAL.—On October 31 Canadian Brewing Corp. brought the first ten months of the current fiscal year to an end. Authoritative sources state that the earnings experience of the organization during this period has been altogether satisfactory, and that earnings for the current year are well ahead of those of 1927. The company will round out its full twelve months in December, and the next annual statement will show a strengthening in working capital position with other features of the balance sheet reflecting the headway made during this year.

## CANADIAN CAR SECURE ORDERS OIL TANK CARS

### Payments on Scrip No Longer Burden on Earnings

**From Our Own Correspondent**

MONTREAL. — The recent order of the Imperial Oil Company received by the Canadian Car and Foundry Company is perhaps only a forerunner of a considerably larger amount of business which is expected to come to the latter company within the next two or three months.

Out of an aggregate of $15,000,000 worth of C.N.R. business which is being anticipated, orders for some 60 locomotives have been placed with the Montreal Locomotive Works, and the Canadian Locomotive Co., at Kingston, leaving approximately $10,000,000 which in all probability will be used in the purchase of cars of various kinds.

Diversification in the source of contracts secured is understood to be playing an important part in the company's operations, which is a continuance of the policy which enabled the company to draw 40 per cent. of its contracts from sources other than the railways in 1927.

Canadian Car's income will be free from now on from the heavy annual provision required for the retirement of the 6 per cent. negotiable scrip issued in 1920, which necessitated the setting aside of $243,750 annually up to December last. The clearing up of this scrip, which totalled in all $1,706,250, will materially reduce future calls on the resources of the company.

In addition to this practically 50 per cent. of the total bond issues outstanding have been called, so that the company's position tends to become strengthened each year.

Canadian Car and Foundry operate eight plants which build freight and passenger cars, and manufacture steel and malleable castings in addition to various car specialties. Four car building plants are operated, two in Montreal, one in Amherst, N.S., and one in Fort William. These plants have a rated capacity of 25,000 freight cars and 550 passenger cars a year. Car wheels, car and locomotive springs, switches intersections and various other products pertaining to railroad equipment are manufactured, and the yearly value of the company's production is between thirty forty million dollars.

Net earnings last year were $1,332,887 as opposed to $714,825 in the previous year 1926. The common stock has been fairly active on the Montreal Exchange lately selling within two points of its high mark of 61 for this year.

### Marconi Enter Contract with C.N. Telegraphs

**From Our Own Correspondent**

MONTREAL.—Effective November 1, Canadian Marconi Company announces the establishment of an agreement with the Canadian National Telegraphs for the acceptance of marconigrams to Great Britain, Europe, Africa, Australia, Asia and South America.

Canadian Marconi already has a contract with the Canadian Pacific Telegraphs, and this additional agency should add considerably to the revenue of the company.

### Monarch Knit Enter Novelty Goods Field

**From Our Own Correspondent**

MONTREAL. — The installation of several new knitting machines, which are to be utilized in turning out exclusive novelties which have heretofore not been produced in Canada, has been completed by the Regent Knitting Mills Limited. Initial production of the new lines is now under way and in a short time the equipment will be turning out the finished goods in volume.

A new designer and several experts from France and Switzerland are now at work on these novelties, and the management have expressed themselves as satisfied with the results so far achieved.

The development of the new line of business is expected to be an important factor and adding to the output of the company's plants with the consequent favorable effect on earnings.

## WEEKLY RECORD OF FINANCING IN CANADA

**SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS**

| Place | Date Sold | Municipal —Sold To— | Rate | Maturity | Amount | Price | Cost Basis |
|---|---|---|---|---|---|---|---|
| Edmonton | Oct. | Imperial Bank | 5% | 10, 15, 20, 30-yr. | $524,428 | 99.27 | 5.06 |

**OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES**

| Bond Issues— | Date Issued | Offered by | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| Republic of Peru | Oct. | Dom. Securities, and U. S. Syndicate | 6% | 1961 | $25,000,000 | 91 | 6.85 |
| Quinte Breweries | Oct. | Company | 7% | 5-yr. | 160,000 | 100 | 7% |
| | | (With bonus of 3 shares of common with each $1,000 bond). | | | | | |
| **Stock Issues—** | | | | | | | |
| Securities Holding Corp. | Oct. | Company | 6% Pref. 200,000 shs.<br>Com. "A" 200,000 shs.<br>Com. "B" 200,000 shs. | | | | |
| | | (Price $35 per unit of one share of pref. and one share of "A" com.) | | | | | |
| International Paints | Oct. | Williams, Partridge & Rapley | 7½% | Pref. | 28,000 shs. | $33.50 | ... |
| | | (With bonus of 2½ shares of no par class "A" common with each 10 shares of preferred. | | | | | |


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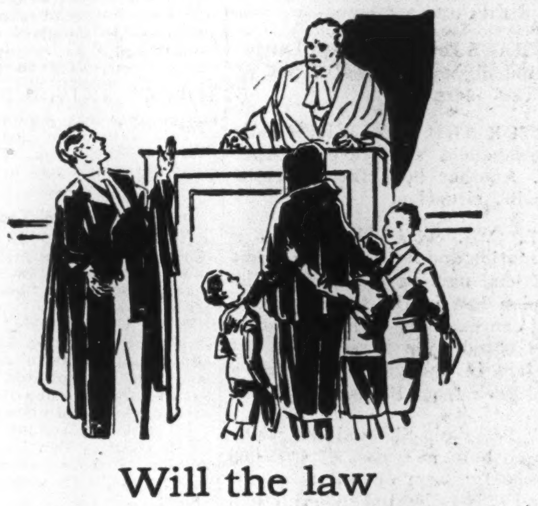

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***SOUND SECURITIES***
***For November Funds***

***Governments, Domestic and Foreign***

| | | Maturity | Price | Yield |
|---|---|---|---|---|
| Canadian National Railways... (Dominion of Canada Guaranteed) | 4½% | 1954 | 98.00 | 4.63% |
| Province of Ontario | 5% | 1948 | 103.75 | 4.70% |
| Republic of Chile (External Sinking Fund Gold Bonds) | 6% | 1961 | Mkt. | 6.44% |
| United States of Brazil (External Sinking Fund Gold Bonds) | 6½% | 1957 | Mkt. | 6.74% |
| Republic of Peru (External Sinking Fund Gold Bonds) | 6% | 1961 | 91.00 | 6.85% |
| ***Public Utilities*** | | | | |
| Canadian Pacific Railway Co. | 5% | 1934 | 100.75 | 4.95% |
| Canada Steamship Lines | 6% | 1941 | 102.75 | 5.70% |
| Duke-Price Power Company | 6% | 1966 | 105.50 | 5.67% |
| Gatineau Power Co. (1st Mtge.) | 5% | 1956 | 97.25 | 5.18% |
| Gatineau Power Co. (Debs.) | 6% | 1941 | 101.00 | 5.88% |
| Montreal Tramways Company | 5% | 1955 | 99.00 | 5.05% |
| ***Industrials*** | | | | |
| Abitibi Power & Paper Co. Ltd. | 5% | 1953 | Mkt. | 5.80% |
| Dominion Square Corporation | 6% | 1948 | 100.00 | 6.00% |
| Paton Manufacturing Company | 6% | 1953 | 103.00 | 5.80% |
| ***Stocks*** | | | | |
| Cannon Mills Company, Com. | | .. | 48.00 | 5.83% |
| General Mills Inc. Cum. Pref. | 6% | .. | 99.[illegible] | [illegible].06% |

*These offerings are made subject to prior sale and change in price. Complete information about any issue or additional offerings suited to particular requirements will be provided on request.*

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TORONTO, NOVEMBER 2, 1928


## SPOKEN OUT OF TURN

IT IS no function of Canadian trade commissioners abroad to make any comment on matters that are still political in the countries where they are posted. Equally, it is not the function of British trade commissioners in Canada to discuss political affairs in this country.

Some time ago The Financial Post published a communication of the British government, based upon a report by the British trade commissioner in Winnipeg, which discussed somewhat in a manner unnecessarily opinionative the transfer to Sifton control of newspapers in Regina and Saskatoon. Now the deputy British trade commissioner in Winnipeg is reported as saying in Saskatoon that: "The Hudson Bay trans-Atlantic route will revolutionize British trade with the prairies, just as the Panama canal revolutionized trade with British Columbia, at a time when the West is becoming more and more ready to buy British goods."

In view of the fact that many millions of additional governmental money will need to be appropriated before the Hudson's Bay Railway will begin even to pay operating costs, it is hardly proper for the British trade commissioner to discuss the future of that line. Many people in Canada who have the best interests of this country at heart and who are pretty sound in their views are still unconvinced that the Hudson's Bay Railway will prove an economical route between Western Canada and Britain. The Hudson's Bay line finds its chief support among Canadian business men in its undoubted appeal as a colonization and development road to tap enormous mineral and timber resources known to exist along the line.

## C.P.R, A BUY

CANADIAN investors might well consider C.P.R. shares as an outlet for a portion of the funds which they have for gilt-edged investments. True, as an investment, C.P.R. shares have certain disadvantages; but this criticism applies to all securities.

During recent months more foreign buying has made itself evident in C.P.R. transactions on the stock markets. About one-sixth of the railway company's outstanding stock is held in Canada. It is possible, with the greater realization abroad of the development of this country, that this proportion may grow smaller—a situation which could hardly be said to be in the best interests of Canada as a whole for there is no undertaking more truly national in its scope than the C.P.R.

True, C.P.R. stock does not give the same indication of market appreciation as some other industrials — but there is always a place in any investment list for sound stocks of the C.P.R., Consumers Gas, and Bell Telephone type. While Canadian Pacific may not appreciate very much yet, a satisfactory yield on the stock is assured even in generally unprosperous times. The record of the railway in the War and post war years indicates clearly that dividends can be maintained in virtually any circumstances.

It can be said that the management would hesitate to disburse larger profits from the operation of railway lines in Canada to the shareholders, as any such disbursement might result in an outcry for lower rail rates. But from its other operations, such as steamships or its holdings of Consolidated Smelters, it is possible that increased disbursements might be made to the shareholders.

But in viewing C.P.R. stock from an investment angle, little thought should be given to the possibility of larger dividends—for the possibility of such a development need not even be considered as yet.

With Canada on the eve of what appears to be a long period of prosperity, though, investors can probably anticipate satisfactory concessions from time to time to the shareholders by the issuance of valuable rights or by other similar means.

If Canada continues to forge ahead, C.P.R. will continue to grow physically and in earning power. While it cannot be said that C.P.R. will do better marketwise than some of the gilt-edged industrial or public utility stocks, yet it is true that in almost every investment list there is a place for stocks such as C.P.R. Canadian investors, therefore, might well give more thought to the possibilities of this stock which so truly represent national development in all its phases.

## SENSIBLE DEVELOPMENT

IN ITS development of the Gatineau river, the International Paper Company purchased all the sites which would permit its plants to operate under the highest and most economic heads of water available. Thus the most economic development of the river as a whole was obtained.

Up to the present, the provincial governments have not adopted any policy which insures for the future such economic development as has taken place on the Gatineau. The governments might well insist that no development take place on any river unless development follows the most economic lines possible.

In the past, various interests owning adjacent rights on some rivers have been unable to get together and thus to ensure the lowest costs possible. In many instances developing companies have erected plants which might otherwise have been able to produce electric energy at a lower cost had adjacent power sites been consolidated into one development.

One of the chief attractions for industry in the Dominion is the abundant available power. The flow of industry toward Canada must vary with the cost of hydro power. And unless the provincial governments insist that only the most economic form of development be undertaken on our rivers, the flow of industry toward the Dominion will be retarded.

A $50 increase in the cost of developing one horse power must mean an increase of at least $5 per annum in the cost of selling one porsepower to industries — a figure which means much to many important industries which purchase power in 10,000 horsepower, or even larger blocks.

The Gatineau Power Company, the power subsidiary of International Paper, seems to have done a good job. Not only has the company obtained all power sites which would in anyway lower the cost of its developments on the Gatineau, but it has also consolidated a group of smaller properties serving adjacent territories in the Ottawa river valley. All of which must mean that consumers in general and industries in particular will receive the benefit of the lowest cost power available.

## CHOOSE YOUR SITE

IT has been truly said that until Canadian municipalities get enthusiastic about aviation there will not be a very rapid growth of air mail routes, passenger and freight services, and so forth. Be it ever so humble there is no place like a landing field, and until these are available in considerable quantity there is neither safety nor wisdom in the establishment of a network of commercial air services.

Contrary to general opinion, these landing fields, which should be an immediate aim of every ambitious municipal council, are not expensive. Take for instance the town of Granby, P.Q., which at a total cost of $35,000 has installed a splendid little airport. Here is an example of less than 10,000 people who saw the opportunity of building for the future at very little cost for themselves, and who are being already well repaid for their investment.

This week at the Toronto Canadian Club, the Hon. William Finlayson, Minister of Lands and Forests in Ontario, apparently poured cold water on the efforts of local municipalities to establish landing fields, by intimating that Canada's air future lay chiefly in the use of hydroplanes and seaplanes which would utilize our rivers and lakes, rather than in the use of land machines.

This may be true in the wilds of Northern Ontario where the country is dotted with water bodies, but it does not apply to Canada as a whole. For one thing Canada's commercial air future must inevitably be of an international character, and already the United States aerial services are lapping over and connecting up with Canadian cities. These services are almost entirely operated by land machines, which means that Canada must be equipped with landing grounds if she is to reap material benefit therefrom.

Taking the broader view, therefore, the landing field is going to be very much in demand, and along the main lines of national communication is even now a vital necessity. They are not expensive, and a wise municipality will read the handwriting on the wall and will prepare for this great development while land is cheap and sites are easily available.

## GOOD FOR ALL

THE Farmers' Sun is startled because the cement manufacturers' case before the tariff board was prepared and presented by one of Toronto University's many professors of political economy. "It is not suggested," says the Sun, "that there was in the argument any renunciation of the principles of free trade to which all professors of political economy are supposed to subscribe. But, it is reasonable to assume that, if these professors are, for fees, to champion the manufacturers in their tariff controversies, zeal for exposition of the truth in the class-room will decline."

On the other hand it may be that contact with practical problems will cause university professors to modify some of the dusty theories of text-books and worn-out economic treatises.

The tendency to-day is for university teachers to be more practical and less theoretical; and to teach business ahead of economic theory. As a result, university men have been called in by business organizations to make studies, prepare briefs, even to direct investment policies. This does not cramp their thinking; rather it leads to better-informed thinking. The Sun should not jump to the conclusion that the result of direct contact between university men and business will be to make over the university men without any influence in the other direction. Some business theories are being discarded to-day because of the studies of university professors. An example of the influence of academics on business is seen in the deep thought given by public utility leaders to Prof. William Z. Ripley's criticisms. Contact between business and university life works results in both directions and is all for the general good.

## STEAM OR HYDRO

THE last issue of Barron's, a well-known financial weekly of the United States, specially features in an article entitled "White Coal Buncombe" the fact that the production of electric energy by coal is as cheap as its production by harnessing water falls. The article indicates that the economics of water power development are largely a popular illusion.

The article in Barron's is correct up to a certain point. It costs less to produce electricity by steam than from water falls—but only under certain specific conditions.

Under what may be termed typical conditions in Canada, it is still cheaper to produce electricity from hydraulic power than to generate it by steam—particularly where the electricity consuming centres are situated hundreds of miles from coal fields.

It was only a few years ago that hydro power was virtually always cheaper than power produced by steam. Of recent years, tremendous strides have been made in utilizing to the full the energy contained in coal and modern boilers are much more efficient than those of only ten years ago. And to-day, it is true that under specific conditions the production of electricity from steam is cheaper than by harnessing water falls, especially when the power plants are located near coal mines.

Hydro power still seems to be the cheapest form of producing electricity whenever the capital cost of development is not too high and whenever a satisfactory load factor is assured for the output of energy. This is true despite the fact that the capital cost of erecting a hydro-plant is much greater than that of erecting a steam plant. With hydro plants, the operating costs run along with little variation whether the output is being used or not, whereas in a steam plant operating costs decline very materially as the load falls off. Hence, it is often more economical to generate a base load by hydro power and to take care of the peak load, which may occur only for an hour or two in each day, with a steam plant.

The situation touching the relative merits of steam and hydro development, is interesting. The increasing efficiency of steam boilers assures that the price of hydro sites will never appreciate to a figure which will result in the consumer paying exorbitant prices for power.

## EITORIAL NOTES

THANK Heavens, the election is in the States and not here.

* * *

PERHAPS Dr. Maximilian Langsner could dig up the real terms of the Nickel merger?

* * *

EDITOR AND PUBLISHER calls on newspapers to prevent paper waste. Another bear factor in the newsprint situation.

* * *

C. L. C. I. 308.4. That is not a radio station and its wave length but the official name and record of the champion hen in the Canadian egg laying contest. Her official percentage is based upon a record of 254 eggs laid in one year. She was a barred rock from British Columbia.

* * *

THE Somabula-Shabani line, which has been built at a cost of £315,000 has recently been opened for traffic, and it is estimated that this will enable the value of Asbestos produced in Rhodesia to be increased by the end of the year to between £70,000 and £80,000 per month. This means more competition for Canadian asbestos.

* * *

THE PHRASE "bootleg money" used to describe loans made by others than American banks in the New York stock market is completely misleading. Some of the "others" are big investment houses like J. P. Morgan & Company, Canadian banks like the Royal, Montreal or Commerce, business corporations like General Motors, and U. S. Steel and investment trusts such as the American Founders Trust.

* * *

MOST OF the gloomy forecasts of stock market breaks across the line, that have been heard in the past three or four years have failed to come through because wealth has been created so rapidly that conditions caught up with inflation wherever a bad break seemed certain. It may be that Canada will experience the same thing in the coming years. Certainly, looking five years ahead, Canadian stock market prices are anything but high.

* * *

W. J. EGAN, deputy minister of immigration, in an article in Canadian Progress, published in London, says that "Canada presents the most outstanding opportunities for industrious men and women, especially those who apply themselves to farm life, among all the countries of the world." This is true but nowhere in his article does Mr. Egan point out that Canada, among all the British countries, presents also the most outstanding red tape for the intending immigrant to cut before he can get aboard a boat for Canada.

* * *

SASKATCHEWAN wheat pool points out that 1,500 elevators could handle all the grain in Saskatchewan although there are 3,000 in the province. The pool has built several hundred new ones this year. No doubt what the pool is getting at is that nobody should be allowed to build new elevators except the wheat pool. If the wheat pool were as successful as some people think no one would be building elevators except the pool but the pool has failed in its attempt to get a monopoly of grain handling.

## POST-scripts

RADIO fans have noticed plenty of static in the air in the past few weeks but they haven't minded it at all. There has been almost nothing on the air outside of a few good Canadian programmes but a continuous broadcast of American election speeches. We think Will Rogers struck it right; the other day when Al Smith remarked, "There is something in the air," Will answered him back. He said, "Yes, there is something in the air; it's election applesauce."

VERE BROWN, who was connected with the Canadian Bank of Commerce for a number of years, is president of the newly formed North American Funding Corporation, of New York. This company was formed to make mortgage loans primarily through Morris Plan Banks in the United States and is controlled by the Industrial Finance Corporation of which Mr. Brown is vice-president and general manager. Mr. Brown was chief inspector at the head office of the Bank of Commerce and succeeded Sir John Aird as superintendent of central western branches, Winnipeg, in 1911.

IT IS given to few boards of directors to sit in council in such historic surroundings as were the scene of the recent meeting of the Canadian governors of the Hudson's Bay Company in Winnipeg. The meeting was held in Lower Fort Garry, which is nearly 100 years old and is still the property of the company that built it. Incidentally when the Hudson's Bay Company built the fort it had already been in active business for over 150 years.

The fort was built in 1831 to repel expected attacks of Indian invaders from the South. It never saw any real fighting, beyond Riel's occupation, but it became a great trading place for furs and supplies. It is laid out in a spacious manner, dignified dwellings and storehouses inside of an expansive stone wall. It is about twenty miles north of Winnipeg. For some time past the fort has been rented to the Motor Country Club of Winnipeg. It has been a favorite place for Sunday night dinners and there is even a golf course handy, just outside the walls.

Driving to the fort from Winnipeg one can make a comfortable detour along the Red River and see the log cabins of the early Selkirk settlers and the stone church raised by hand.

We are told that the fort has seen its last season as a country club and that the company is taking it over again and will make of it a recreational spot for officers and employees, as well as a museum.

## Other People's Views

### Salaries for Scientists

Manitoba Free Press, Winnipeg.—The people of the country know that if the Canadian Government wishes to maintain the standard of the Canadian Civil Service as set in the past, the country will have to provide salaries that will enable the Government to compete against the demands for skilled workers being put forth by private enterprise and by the United States Civil Service. There is an iron-tight case for early action.

### "Red-Tape"

Halifax Herald: Hon. Charles Dunning, Canadian minister of railways, came to Canada from the Old Country several years ago "because he had an athlete's heart."

If Mr. Dunning tried it all over again to-day he would be barred from Canada by immigration regulations! The laws that precipitated the McConochie case would have deprived the Dominion of a potential minister.

It is a significant commentary on what statutes can do—when administration is more concerned with "red-tape" than with reasonable considerations.

### The Prime Minister Returns

The Gazette, Montreal.—At the Canadian Club dinner in London, Mr. King spoke upon the very vexed question of British migration to Canada in a manner which left a distinctly favorable impression upon British public opinion, and if the spirit of the declaration made upon that occasion is translated into practical measures for the more generous treatment of prospective settlers from the Motherland, that speech alone will have sufficed to justify the journey which the Prime Minister made. By and large it may be said that Canada has lost nothing, if it has not, indeed, gained a trifle, in prestige, from a visit which brought the Prime Minister into personal contact with statesmen from many parts of the world, and in which he acquitted himself with credit to himself and to the Dominion.

## "Stop Me If You've Heard This O

The victim had been properly patched up, both broken legs set, six stitches under the chin, plaster cast around the chest, and a small silver inset in the skull.

"By the way, doc," he whispered, as the weary surgeon gave one last proud look at his handiwork, "I don't know just when I'm going to be able to pay you for all this; I've got a few hundred laid by in the bank, but to tell you the truth, I'm saving that in case of an emergency."


A. N. WORTHINGTON & CO.
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507 Central Bldg., Toronto

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Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
Real Estate Department
CHARTERED TRUST & Executor Company
46 King St. W., Toronto


# Beauharnois Should Not Injure Existing Companies Selling Power in Quebec

From Our Own Correspondent

MONTREAL.—Discussion on the Beauharnois Power scheme largely centres on two points; one being the effect of the completion of the project on other power companies in Quebec, and the other being the likelihood of the interests behind the undertaking receiving the rights from the Federal Government.

Two factors indicate that the Beauharnois interests will be successful in their application to Ottawa. Other similar applications have not been turned down in the past and the Beauharnois scheme has already obtained the backing of the provincial government at Quebec which is, of course, of the same political complexion as the federal government.

### No Navigation Interference

Moreover, the development of the Beauharnois scheme will not, apparently, interfere with the present navigation situation between Cornwall and Lachine, for the Beauharnois Light, Heat and Power only proposes to use 40,000 cubic feet of water per second—a figure materially less than that already diverted by the Cedar Rapids plant. The Beauharnois plant, of course, will develop more power than Cedars for it will construct a longer power canal giving the plant a total head of 80 feet of water.

The completion of the project will hardly have an adverse effect on the operation of either Montreal Power or Shawinigan. The Beauharnois interests have definitely lined up large scale industrial developments which will purchase large blocks of power. Such industrial expansion must undoubtedly tend to increase materially the demand for power for domestic lighting and for other purposes from the lines of Montreal Power and from the distributing subsidiaries of Shawinigan.

### No Duplication of Systems

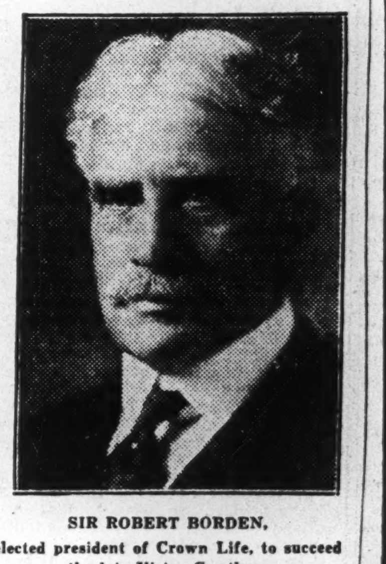
The Beauharnois project, when completed, might be able to take some industrial contracts away from Montreal Power. But the Beauharnois Company certainly would not duplicate distribution systems in areas already served by the two largest power companies of the province.

Even presuming Beauharnois did take some business away from one or other of the older companies, the new company would not, nor could not compete for the business which now forms the basis of both the Montreal Power and Shawinigan loads.

Anything either of these companies might lose through the completion of the Beauharnois project would more than be offset by supplementary industrial developments dependent on Beauharnois for power. In virtually any industrial expansion in Quebec both Montreal Power and Shawinigan are certain to benefit.

# *Borden Second Ex-Premier to Preside Over Crown Life*

For the second time in the history of the Crown Life Insurance Company, an ex-premier of Canada has been elected to the presidency. The first president of the company was Sir Charles Tupper, premier of Canada for a short time in 1896. On Friday last, the Rt. Hon. Sir Robert L. Borden, Canada's war premier, was made president in succession to the late Victor Cawthra.



SIR ROBERT BORDEN,
elected president of Crown Life, to succeed the late Victor Cawthra.

Sir Robert's connection with the Crown Life is not a recent one. He was one of its first shareholders and policyholders, and was on its original directorate in 1901, when Sir Charles Tupper was the president. He resigned from the directorate in 1907, when political exigencies required all his attention. In the twenty-one years that have elapsed, Canada has been through a world war, the name of Sir Robert Borden as war time premier, has been writ large in the annals of Canada and the Empire, and the Crown Life has graduated from one of the smaller companies to a position of importance, with insurance in force of over $102,000,000.

Sir Robert, since his retirement from the premiership, has been devoting his energies to writing and to his financial interests. He will take an active part in the direction of the company.

The Crown Life, which since the war has maintained the goal of "doubling in size every four years," recently announced that it had purchased property adjacent to its home office at Yonge and Colborne Streets, Toronto, and will in the near future erect a first class office building in which provision will be made for the growing requirements of its home office staff.

The directorate of the company is now made up as follows: president, the Rt. Hon. Sir Robert L. Borden; vice-president, C. W. Somers, president Canada Grain Company; general manager, H. R. Stephenson; W. R. Morson; F. Erichsen Brown, K.C., director City Dairy Company; H. D. Burns, assistant general manager of the Bank of Nova Scotia; W. F. Watkins, Canada Permanent Mortgage Corporation; G. E. Spragge, all of Toronto; F. R. McD. Russell, K.C., Vancouver; G. O. Somers, Pasadena; G. A. Morson, Havana.

## *New Books*

The fourth edition of Canadian Progress published by the Thomas Skinner & Company, of London and Montreal, is now being offered for sale in Britain. This is a rather comprehensive publication on opportunities in Canada, the contents including a series of articles and many pages of statistics on agriculture, industry, finance, banking, insurance and other fields in Canada.

The publication is undoubtedly a valuable one for the Britisher sizing up Canadian conditions, but there seems to be some lack of order in the arrangement of the material. Another weakness which could be remedied, to improve the volume very considerably, is a little lack of definite demarcation between the purely editorial and statistical matter and the advertising pages. Many articles in the issue strike one as merely camouflaged advertising for individual concerns. In a publication of this kind the reader should always know when he is reading an article prepared by the editors of the book, and when he is reading a blurb written by the advertising manager of a private company. This seems to be the one outstanding weakness in the volume, and apart from that it is an excellent survey of Canada, and bound to do good work wherever placed.

The price is $1.25 in Canada, and $1.50 in the United States.

## In the Mail

### Premier Ferguson's Salary

Editor, The Financial Post:

In your issue of October 5th you had an article entitled, "A Raise in Pay Due." This referred to the salary being paid to our Premier, the Hon. G. Howard Ferguson. I have looked over subsequent issues to see if any of your readers have commented on this article and I find that they have not and it is with considerable hesitancy I am writing you.

Your article is most timely. Mr. Ferguson has given the very best years of his life to his province. He has worked long hours and has had to give up much of his home life in order to fill speaking engagements. His duties have in many ways been tedious and he has been subject to criticism, much of which has been undeserved.

His ability would easily have secured him a much larger remuneration in his chosen profession or many of our large manufacturers would welcome an opportunity of securing his services.

In this good old world, we are prone to wait for the time for flowers before expressing our words of commendation. Public sentiment is what is needed to secure for Mr. Ferguson a salary commensurate to his work and I sincerely hope that other readers of your important paper will express their feelings on this subject.

Yours very truly,
Hamilton Advertisers' Agency Limited,
Russell T. Kelley, President.
Hamilton, Oct. 30, 1928.


J. S. MITCHELL & CO.
Established 1876 LIMITED
Mill, Railway, Mining Contractors, Hardware, Explosive Supplies and Electrical Equipment
SHERBROOKE · QUE

DOMINION BRIDGE CO.
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ENGINEERS, MANUFACTURERS and ERECTORS of STEEL STRUCTURES
HEAD OFFICE and WORKS: Lachine Locks, P.Q. P.O. Address, Montreal, P.Q.
BRANCH OFFICE and WORKS: Toronto, Ottawa and Winnipeg
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Impartial Analvsis of Investment Lists

Any analysis of an investor's holdings must be impartial. In making analyses we studiously avoid the tendency to suggest that an investor should sell some of his holdings and buy issues that we may be interested in.

If, therefore, you wish to get an impartial analysis of your security holdings, we will endeavour faithfully to give it you, if you will send us your list.

Cochran, Hay & Co.
Limited
Dominion Bank Building, Toronto
J. STRATHEARN HAY, Member, Toronto Stock Exchange
HAMILTON LONDON KITCHENER WINDSOR

*We have prepared a revised edition of our chart entitled*
Comparison of the Leading Pulp and Paper Companies Operating in Canada
*Free copy upon request*
R. A. DALY & CO.
LIMITED
BANK OF TORONTO BUILDING
TORONTO
R. A. DALY, *Member Toronto Stock Exchange*

THE tactics employed by certain advertising agency salesmen remind me of the fellow who walks into one's office and says: "I want to *give you* free—gratis—and for nothing—ten volumes of Robert Louis Stevenson's works, three pictures to hang in the children's bed room and an accident insurance policy for $1,000."

"What oh!" says you, "I'll take 'em. Put 'em there."

Then out pops the nigger. Mr. Salesman flips a little form on your desk and says, "Just sign here and pay me $4 for the 'What's It Magazine' ".

. . . . . . . . .

It beats the dutch how some so-called advertising men whose earning power is no more than $5,000 a year can tell other fellows how to run their business.

First of all, they are liable to suggest that your package (if you have package goods for sale) is all wrong. Second, that your salesmen are asleep. Third, that the retail dealers who sell your stuff have an inferiority complex about it. Fourth, that your merchandizing plans should be completely revised. Fifth, that they will make a trade survey for you. Sixth, that they will do everything for you short of paying your bills.

The truth is that in throwing up this smoke screen, this type of advertising salesman is preparing his alibi in case the advertising is a flop. He can come right back to the manufacturer and say—"I told you thus and so."

Some advertisers fall for it—once—though the bills nearly break 'em.

Consider this. If the average manufacturer doesn't know or can't find out more about selling his goods than an outsider, then he has no license to be in that business; or if, through the medium of his own salesmen, he cannot find out those things that he ought to know, then he should get some new salesmen.

From a life time of experience in the business of advertising, it is my observation that there are only two things that make advertising successful.

One is the application of common sense to its conception and execution. The other is persistency. The former calls for judgment and craftsmanship. The latter calls for courage and capital. I can provide the former if you can provide the latter. But remember, I don't pretend to do anything for an advertiser, except advertise.

Advertising is no magic carpet. It calls for all men's faith and courage to embark on it and to persist in it until the public become, so to speak, advertising-conscious of the advertiser and his goods. But when once that stage is reached, then the advertiser is on the way to reap his reward an hundredfold.

If you accept these things and are desirous of reconstructing your advertising along these lines, then give me a call.

You will not be importuned to do business. The first thing I shall try to do will be to win your confidence. That established, business will follow as surely as day follows the night.

Thornton Purkis

Northern Ontario Building
330 Bay Street, Toronto 2
Telephone: Adelaide 6222

# Background of Business

## Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

**Business Off to Good Start in Fourth Quarter of Year**
**Dollar Volume of Trade Continues on High Level**
**Employment Situation Best Recorded in Many Years**
**Heavy Freight Traffic Indicates Need of Equipment**
**Little Change in Current Industrial Conditions**

WITH business well into the the fourth quarter, it is possible to determine with a fair degree of accuracy just what conditions will be like during the balance of the year. Generally speaking, there has been less uncertainty about the trend of conditions this year than was the case in the closing months of 1927.

This better feeling is largely attributable to the improvement in American business conditions, which are reflected on this side of the border. The slump in the fall months of 1927, if it may be called that, was not of far-reaching consequence. It might better be described as a slowing up, while business took stock of things preparatory to engaging in even greater activity.

Further there is less talk at present of the tightness of money and its possible effect on commercial credit. While the stock market situation is far from being normal, even the most pessimistic do not fear a wide open break, which might possibly have taken place in other years.

### On High Level

With records for three-quarters of the year available, Canadian business is moving on an exceptionally high level. Out of ten indicators which are reported by the Bureau of Statistics for September, there is not a single instance in which the figure for the previous year is not exceeded and in two cases the previous year is outdone by seventy-five per cent.

In the table which follows the state of the index for the corresponding month last year is taken as one hundred and the latest index for the present year is given as a percentage on that base:

| | |
|---|---|
| Employment | 109 |
| Pig Iron | 175 |
| Steel | 185 |
| Bank Debits | 107 |
| Car Loadings | 119 |
| Building Permits | 148 |
| Imports | 116 |
| Exports | 113 |
| Coke | 129 |
| Coal | 104 |

### Dollar Trade High

Reports for October would indicate that a further improvement is taking place in all these factors. In such things as car loadings, sugar, etc., where weekly reports are available, the betterment is distinctly noticeable.

As far as the dollar volume of business in this country is concerned, the September report on bank debits would indicate greater activity than in many years past. As compared with September, 1927, debits during the month show an increase of 7.4 per cent. Allowing for the difference in the length of the month, a moderate increase in debits also was shown over August last.

The cumulative total of bank debits for the first nine months of 1928 was nearly $31 billions, compared with a little over $24 billions in the same months of 1927. This represents an increase of 28 per cent. and corresponds to the greater activity in general business and speculation which has prevailed during the year.

The greatest proportional gain was shown in the Prairie Provinces, where the increase was nearly 35 per cent. Quebec Province was next in lead, with a gain of more than 31 per cent.. An increase of 23.6 per cent. was shown in the debits of Ontario. The increases in British Columbia and the Maritimes was also substantial, the gain over the first nine months of 1927 being 23 per cent. and 20.9 per cent. respectively.

### Employment Maintained

In view of the betterment in the dollar volume of business, it stands to reason that employment also should be on a higher level. While there was small decline in employment at the beginning of October, comparison with the same month period last year, shows that the situation is more favorable this year. On the basis of returns received from over 6,600 employers of labor, the employment index on October 1, stood at 118.9, as compared with 119.5 on September 1, and with 109.0, 105.2 and 98.3 on the same date in 1927, 1926 and 1925, respectively.

As was to be expected the most pronounced curtailment in labor employed at the beginning of last month was in construction, where it was seasonal in character. Activity in this group, however, continued much greater than in the autumn of any year since 1920. Manufactures showed a decline, chiefly in lumber mills where the season's cut was approaching completion, and in iron and steel plants, while the personnel of summer hotels was also reduced. On the other hand, logging, mining, transportation and trade registered improvement.

On the whole, the employment situation in the different areas is very satisfactory. While contractions were general in all provinces, with the exception of Ontario, there was less decline than is usual at this time of the year.

### Record Freight Volume

The present satisfactory state of business, is further emphasized by an examination of freight loadings figures. During the week of October 20 last, 92,608 cars were of freight were loaded on Canadian railways. This brought the total for the month up to over 274,000 cars and for the year to-date to 2,904,182. This compares with loadings during the odd 9¾ months of 1927 and 1926 of 2,660,793 and 2,557,933 cars, respectively.

While a major proportion of the increase this year is due to the earlier movement of grains and grain products, the fact should not be overlooked that most of the other freight classifications show increases, Thus of eleven divisions, grain and grain products, pulpwood, pulp and paper, other forest products, ore, merchandise and miscellaneous, registered an increase as compared with last year, while livestock, coal, coke and lumber loadings were slightly less.

### Need More Equipment

Aside from being an indicator of business activity in general, car loadings also indicate the trend of railway earnings and especially during the present year, indicate the need for more rolling stock equipment. As one observer points out Canada's investment in railways is of such large proportions and the railways hold so important a place among leading industries that prosperity for the railways, or the reverse, necessarily reacts favorably or unfavorably, as the case may be, on general business.

The growth in traffic reflected in the car loadings figures, is necessarily increasing the demand for railway equipment. At the same time, as a result of the sharp expansion in net earnings, the two leading systems are financially better able to provide for their requirements. While no exact information is available at the moment, it is generally understood that the railways will be expending something like $40,000,000 in 1929 for betterments and for equipment. Naturally the expenditure of this large sum will have a pronounced effect on the prosperity of a number of industries for many months to come.

### Current Situation Sound

Industrial and mercantile conditions do not show much change. Demand for pig iron continues strong with prices unchanged. There is considerable heavy construction work in progress and industrial demands assure capacity operations for foundries. Automobile plants while slowing up somewhat are still much busier than last year and production during the balance of the year will go far toward piling up a substantial margin of gain over last year's figures.

Other industries such as paint, cement, machinery, agricultural implements, etc., are still operating on a good scale, though the peak of operations has been passed.

There is a seasonal improvement in the demand for merchandise. The colder weather of the past few weeks has quickened the turnover of fall and winter goods. Merchants report the demand to be satisfactory in most lines of staple merchandise and expectations are that the volume of sales for the winter months will compare favorably with that of other years.

## Canadian Business Indicators

Compiled Weekly by The Financial Post

| | Weekly Latest This Year | Weekly Latest Last Year | Cumulative for Year This Year | Cumulative for Year Last Year |
|---|---|---|---|---|
| Car Loadings (Oct. 20) | 92,608 | 87,501 | 2,904,182 | 2,660,793 |
| Stock Index (Oct. 25) | 605.7 | 236.4 | ...... | ...... |
| C.P.R. Gross Earnings (Oct. 21) | $ 5,866,000 | $ 4,470,000 | $ 166,116,000 | $ 145,089,000 |
| C.N.R. Gross Earnings (Oct. 21) | $ 6,773,324 | $ 5,399,135 | $ 216,483,302 | $ 194,488,827 |
| **Production—** | Monthly | | | |
| Pig iron, tons (Sept.) | 90,516 | 52,470 | 745,473 | 570,414 |
| Steel, tons (Aug.) | 86,677 | 77,479 | 819,822 | 620,039 |
| Newsprint, cwt. (Sept.) | 185,059 | 178,815 | 1,731,226 | 1,519,049 |
| Automobiles (Sept.) | 21,193 | 11,262 | 202,652 | 161,583 |
| Boots and Shoes, pr.. (Aug.) | 1,601,579 | 1,675,598 | 12,254,514 | 11,867,591 |
| Flour, bbls., (Aug.) | 1,590,164 | 1,157,963 | 11,922,769 | 10,282,802 |
| **Construction—** | | | | |
| Building Permits (Sept.) | $ 21,302,746 | $ 14,462,243 | $ 166,290,804 | $ 141,152,000 |
| Contracts, (Sept.) | 45,438,000 | 32,787,700 | 379,503,400 | 305,773,700 |
| **Labor—** | | | | |
| Employment Index (October) | 118.9 | 109.0 | ...... | ...... |
| **Trade—** | | | | |
| Imports (Sept.) | $ 106,066,189 | $ 91,802,777 | $ 912,389,664 | $ 815,617,480 |
| Exports (Sept.) | $ 109,828,366 | $ 97,412,316 | $ 910,074,152 | $ 831,055,968 |
| **Imports of Key Products—** | | | | |
| Rubber, lbs., (Sept.) | 6,294,687 | 4,183,302 | 48,808,849 | 46,386,944 |
| Cotton, lbs. (Sept.) | 4,970,969 | 4,814,195 | 85,905,110 | 98,361,852 |
| Sugar, cwt., (Sept.) | 736,343 | 769,362 | 6,926,171 | ...... |
| Petroleum, gal., (Sept.) | 14,286,084 | 13,141,770 | 296,928,899 | ...... |
| Coal, tons, (Sept.) | 1,422,739 | ...... | 10,066,379 | ...... |
| **Exports of Key Products—** | | | | |
| Newsprint, cwt., (Sept.) | 3,416,805 | 3,377,105 | ...... | ...... |
| Automobiles, No. (Sept.) | 6,279 | 2,856 | 52,135 | 47,053 |
| Wheat, bush., (Sept.) | 26,922,776 | 14,070,866 | 197,235,782 | 138,018,534 |
| Wheat flour, bbls. (Sept.) | [illegible]89,775 | 677,330 | 7,484,109 | 6,257,902 |
| **Electric Power—Output—** | | | | |
| M. Kilowatt hours (Aug.) | 1,289,359 | 1,216,565 | 10,150,659 | 9,889,365 |
| **Population—** | | | | |
| Emigration (Aug.) | 12,782 | 18,703 | ...... | ...... |
| Immigration (June) | 20,303 | 18,052 | 93,596 | 7,457 |
| **Finance—** | | | | |
| Failures, No. (Aug.) | 142 | 147 | 1 240 | 1,150 |
| Failures, Liabilities, (Aug.) | $ 2,254,312 | $ 2,371,788 | $ 18,394,099 | $ 18,765,691 |
| Bank Debits* (Sept.) | $3,050,950,943 | $2,843,933,991 | $30,901,642,725 | $24,156,870,155 |
| Bond Sales (Sept.) | $ 21,317,833 | $ 85,685,491 | $ 345,742,643 | $ 387,393,642 |
| Insurance Sales, (Sept.) | $ 38,872,000 | $ 35,000,000 | $ 413,419,000 | $ 360,198,000 |
| **Wholesale Prices (1913-100)—** | | | | |
| General Index (Sept.) | 149.7 | 151.3 | ...... | ...... |
| Iron | 138.7 | 142.6 | ...... | ...... |
| Cottons, raw | 138.4 | 174.8 | ...... | ...... |
| Grains | 135.6 | 164.7 | ...... | ...... |
| Cattle | 160.1 | 115.1 | ...... | ...... |
| Rubber | 36.3 | 56.0 | ...... | ...... |

## *Business Conditions in United States*

The volume of business in the United States during the week ended October 20, as seen from data on check payments, was greater than in the previous week but showed a small decline from the same period of last year, according to the weekly statement of the Department of Commerce. Activity in steel plants, though showing no change from the high level of the previous week, was considerably higher than in the same period of last year. The general level of wholesale prices receded somewhat from the previous week, but was still above the corresponding period of 1927. Prices for iron and steel continued to show further slight recovery, reaching for the first time this year the level which prevailed a year earlier. Prices for copper were stronger than in either the previous week or the same period of last year. Cotton prices were likewise higher than in either period.

The value of new building awards during the week showed a higher daily average than in the previous week, but was lower than in the same period of last year. Factory employment in Detroit for the latest available week showed a gain over the preceding week, with a considerable rise over the same period of 1927. Bond prices showed a slight gain over the previous week but were lower than last year. Interest rates for time funds showed a decline from the previous week, but were higher than a year ago. Call-loan rates, however, showed no change from the previous week, but were higher than last year. Stock prices averaged higher than in either the previous week or the same period of 1927.

The production of bituminous coal during the week ended October 13 showed gains over both the previous week and the same week of last year. Freight-car loadings for the latest available week were larger than last year. Petroleum production, though showing a decline from the previous week, was greater than in the same period a year earlier. Receipts of wheat at primary markets were larger than a year ago. Cattle receipts, however, were smaller than last year, but the receipts of hogs were larger.

**Weekly Business Indicators**
**Average 1923-25=100**

| | 1928 Oct. 13 | 1927 Oct. 15 |
|---|---|---|
| Steel operations | 115.8 | 87.0 |
| Bituminous coal production | 115.7 | 108.3 |
| Lumber production | 90.9 | 106.4 |
| Petroleum production (daily average) | 120.3 | 119.7 |
| Detroit employment | 133.6 | 88.5 |
| Freight car loadings | ... | 116.8 |
| Bldg. contracts 37 states (daily average) | 134.3 | 115.1 |
| Wheat receipts | 231.0 | 220.2 |
| Cotton receipts | 293.1 | 248.5 |
| Cattle receipts | 102.5 | 129.1 |
| Hog receipts | 68.3 | 57.3 |
| Price No. 2 wheat | 105.6 | 97.2 |
| Price cotton middling | 72.1 | 77.2 |
| Price iron and steel composite | 85.6 | 85.9 |
| Copper, electrolytic, price | 108.7 | 94.2 |
| Fisher's index (1926=100) | 99.4 | 96.5 |
| Debits to individual accounts | 129.1 | 106.2 |
| Bank loans and discounts, total | 127.3 | 120.3 |
| Interest rates, call money | 157.6 | 97.0 |
| Business failures | 86.0 | 80.6 |
| Stock prices | 210.8 | 185.7 |
| Bond prices | 107.8 | 110.2 |
| Interest rates, time money | 165.7 | 97.1 |
| Federal reserve ratio | 87.2 | 96.8 |

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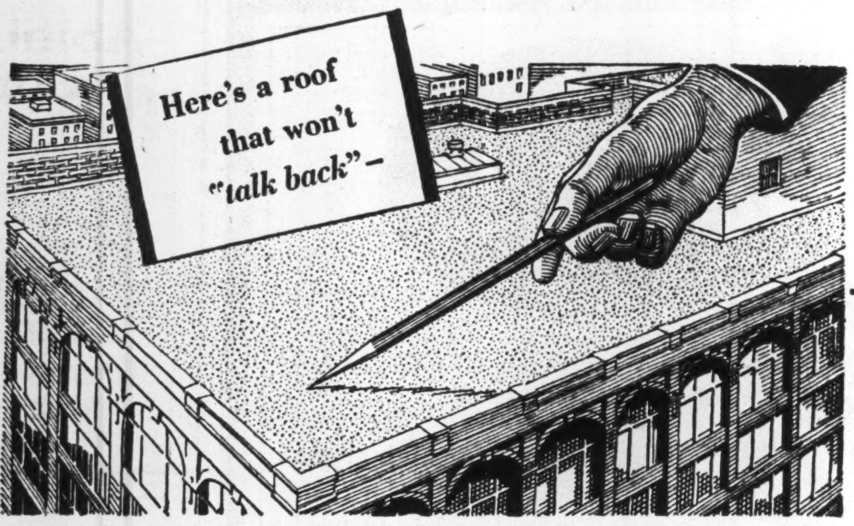


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# Pulp & Paper

## Newsprint Stocks Skid as Price Cuts Endanger Safety of Some Securities

### Rumored $50 Price Has Yet to be Officially Confirmed

### CUT MADE TO HEARST

### Abitibi Said to Have Secured Large Chicago Contract — Operators May Come Together

From Our Own Correspondent

MONTREAL.—William Randolph Hearst's Dutch auction for newsprint has apparently entirely upset the industry and, unless new developments follow shortly, will reduce earnings throughout the industry to below the danger mark.

Hearst apparently asked for tenders for a proportion of his newsprint requirements. It is alleged that the International Paper Company secured the Hearst contract at a price of $50 a ton and that Abitibi has taken over the contract with the Chicago News which was formerly supplied by International.

Now there will undoubtedly be a scramble for business by the other mills and there is no guarantee that the price will even remain at the $50 mark. It is certain that at this figure some of the companies will not earn the disbursements on their junior securities and some perhaps might not even earn the full amount of their fixed charges.

It is said that the International Paper Company to fill the Hearst contract will immediately place its big East Templeton mill on full time operations. In the meantime, Abitibi is starting three machines at its Spanish River division. These machines have been closed down for some time owing to the over expansion of the industry.

**Situation Involved**

At present the whole newsprint situation is involved. None can say at what price newsprint is changing hands. There is a feeling that if International Paper sold, or is to sell to Hearst at $50 a ton, there are other clauses in the contract which would give the deal a better aspect from the investor's angle. That figure might represent a minimum which later is to be increased.

As for the report of the alleged participation by Abitibi in sales at $50 a ton, those with a close knowledge of Abitibi feel that the report "has been exaggerated."

It will probably be a week or two before the smoke surrounding the deals clears away and before it is possible to obtain an accurate idea of just what has transpired in the industry.

In the meantime, it is certain that there have been very substantial price slashes which may open the way for further declines. It is certain also that grievous times have come upon the industry. The lightning and thunder are over, and the rain, wind and tumult are here. It is small consolation, though, for investors to remember that with the advent of the rain, bright skies are the nearer.

**Will Come Together**

The price cutting in New York, though, has had one satisfactory result, namely that the various newsprint groups now seem to be the more eager to come to some understanding which will benefit the industry as a whole. Hence it appears to be almost a certainty that real efforts will be made to improve the situation.

In fact, something will have to be done if prices have touched $50 a ton—otherwise not only dividends will be endangered. The newsprint men fully realize the situation and no doubt will take some active steps to improve matters. This they can do, but still it will be many moons before the present grief is dispersed by happier days.

About all that can be said as yet about the price cut is contained in the succinct announcement of International Paper which is as follows. "We have closed a contract for a substantial tonnage of newsprint for the Hearst papers for several years at prices less than our present contract prices for next year. This transaction involves no deviation from our practice of announcing standard prices and as soon as the necessary details can be completed we will offer substantial price reductions to all our customers including those who have already signed their contracts for next year."

**May Sell Lower**

As the news of the price cutting is public, it is possible that the newsprint stocks may not decline to still lower levels. But broadly speaking, the market outlook for these stocks, even though they have already experienced major declines, is most unpromising. Little in the way of a market betterment in the newsprint stocks can be expected for some months.

Even if the operators do get together and come to a better understanding, or even if the position of the industry undergoes a betterment, perhaps through more mergers, there is naught to indicate any appreciation in newsprint prices for a long time. And it is the prevailing price of newsprint that largely dictates the market course of newsprint stocks.

## Price of $50 is Serious Cut in Net Profits

From Our Own Correspondent

MONTREAL.—While no official confirmation of the alleged cut in the price of newsprint to $50 a ton can yet be obtained, it can be said that prices for next year will be such as to reduce more than substantially the earnings of the Canadian newsprint companies.

Should publishers in the United States demand a $50 price, not a newsprint company would earn dividends on its common shares. Indeed some companies might not be able to earn their preferred dividend requirements whilst others might have to eat into surplus to meet all their fixed charges.

It was only a week ago that Price Brothers & Company announced a profit sharing price to buyers of newsprint. In that company's announcement it was definitely stated that total costs would not amount to over $56 a ton, made up of $42.50 for mill costs and $13.50 a ton for overhead.

If Price Brothers receives $56 a ton for its output, earnings after all charges including depreciation and depletion would amount to about the company's bond interest, preferred dividend and common dividend requirements.

**Much Lower Margin**

It can be seen that any cut of say $6 a ton in the $13.50 figure which the company has available for disbursement to investors would have a decidedly injurious effect on the company's securities.

From the effect of such a cut in earnings on Price Brothers may be judged the effect on companies such as Abitibi, Canada Power, International Paper and some of the smaller organizations.

Many of the smaller companies, though, have eliminated some of the danger by retiring their mortgage indebtedness. The capital set up of Price Brothers is conservative and represents a fair average of the capital set ups throughout the industry.

If International is to cut prices to the $50 mark for all newsprint contacts, it can be seen, obviously, that earnings on the junior securities including preferred stocks of all the companies will be most unsatisfactory. In some instances, preferred dividends will be earned—and in others there will be a shortage of profits which will have to be made up from reserves whilst the low prices prevail.

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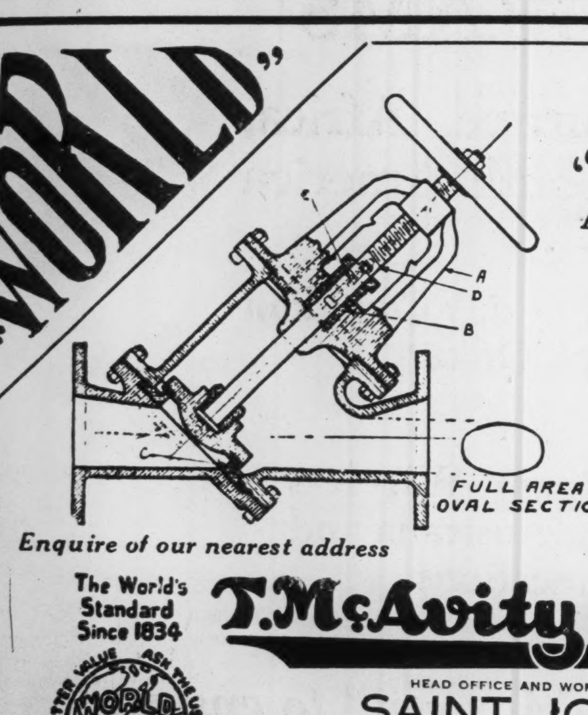

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## B.C. HOLDS OFF NEWSPRINT MILLS FOR 3,000 TONS

### When Markets Improve, These Will Go Ahead

From Our Own Correspondent

VANCOUVER.—Just as soon as the pulp and paper situation improves British Columbia will swing into line with a mill construction greater than anything since the pioneer era of the last decade when the Powell River Company, Pacific Mills and the Whalen organization were brought into being on the coast.

If conditions were better, three pulp and paper mills of considerable size would now be building. Negotiations for these projects have been carried on with the government for some months and they have reached the stage where all preliminary details have been smoothed out and construction awaits only an improvement in the world market which will ensure profitable operation.

**Three Principal Mills**

The three chief enterprises are those of the Crown Willamette Pulp & Paper Company of California and Oregon, the Canadian Forest Products Limited and eastern financial interests who propose to build a large mill near Prince George. The Crown Willamette plant is to be located on the Campbell River, Vancouver Island, and Canadian Forest Products Limited, backed by the International Harvester Company to the extent of $16,000,000, is planning a mill at Nimpkish River. All these projects will utilize important waterpowers that are dormant at present and they will add enormously to the paper production of British Columbia.

Particular interest attaches to the Prince George project by reason of the fact that it will be British Columbia's first inland mill. Prince George is at the junction of the Fraser and Nechako Rivers in the central interior and a vast area of pulpwood forest is tributary to it. The power will be obtained from the Isle de Pierre Rapids, which is regarded as one of the most valuable potential sources of hydro-electric energy in British Columbia. Promoters of the company contend that they will be able to secure their raw materials at such low cost that they will be able to compete on favorable terms with the coast mills in the export trade. It is believed, however, that the Prince George mill will find its chief market in the prairies and the western states. Although plans have been under way for the building of a mill at Prince George for years, they have been placed on a much more substantial basis since the sale of the properties formerly held by the old Fraser Timber Syndicate to a new group representing some of the leading financiers in Eastern Canada.

**Prince George Project**

Whether, in view of the depressed state of the industry in the east, the expansion programme in British Columbia is likely to get under way within a reasonably short period is still a matter for speculation, but it is perhaps significant that Hon. Fred P. Burden, new minister of lands, recently announced conditions surrounding the Prince George project were more favorable now than ever before and that an early start might be expected.

The ultimate capacity of the three proposed mills will add about 3,000 tons to the daily output of paper in the coast province.

### Can. Paperboard's New Mill Reaches Half of Capacity

From Our Own Correspondent

MONTREAL.—The new mill of Canadian Paperboard Company in Toronto is getting tuned up as fast as can be expected, and it is understood that a run of 51 tons was accomplished last week. The capacity of the mill is 100 tons a day, and this capacity is being reached by a gradual synchronization of all sections of the mill. It is said that an excellent grade of paper is being run, and that operations are not being met with any unforeseen difficulties.

**Associated Breweries Listed**

MONTREAL.—Shares of Associated Breweries of Canada, Limited, have been listed on the Montreal Curb Market. These consist of 15,000, 7 per cent. cumulative preferred shares of $100 par value each, and 194,117 common shares of no par value.

**Joins Investment Firm**

MONTREAL.—Hodgson Bros. & Co., Ltd., investment bankers, announce that William Evans and Graeme Gorrie have joined their firm. Mr. Evans was until recently with the Gatineau Power Company, while Mr. Gorrie was formerly with the Aetna Life Insurance Company, and more recently with the Sun Life Insurance Company.

## *Newsprint Change Will Not Affect Dryden Paper*

From Our Own Correspondent

MONTREAL.—The unsatisfactory developments in the newsprint market have had and probably will have no really adverse effect on the operations of the Dryden Paper Company, although the débâcle in newsprint prices may have a sympathetic effect marketwise on Dryden shares. The plant is operating at capacity and profits still remain at the satisfactory level experienced earlier in the year.

Lower newsprint prices mean lower prices for groundwood and sulphate pulp; hence there is a tendency for lower prices in other grades of wrapping paper which could reduce the price of sulphate pulp and ultimately kraft paper.

However, those with a knowledge of the sulphate pulp and kraft industry feel that such a development is not even a possibility, for kraft paper is the latest comer in the wrapping paper field. The industry has always felt the pressure from the lower grades of paper. But when kraft paper was developed it broke very successfully into the market for wrapping paper and is steadily gaining in favor despite lower prices for other grades. The reason being the manifold superior characteristics of kraft.

**Will Be Unaffected**

In any event, U.S. kraft paper cannot enter Canada without paying a high duty, and as has been said, those with a knowledge of the kraft industry feel that the market for Dryden's surplus output of sulphate pulp will not be affected by the decline in newsprint, more especially as for the past year or two groundwood pulp has been selling at levels below which it can hardly move and, in addition, sulphite pulp markets have also been weak.

Hence, the satisfactory outlook for Dryden's future remains unchanged and will not be affected by any developments which have, or which may take place in the newsprint industry. It is understood that those behind the company are still working along lines leading toward a reorganization — but that it will take some time to formulate the reorganization plans due to the many details which have to be arranged following the company's five years of receivership.

## CAN. COTTON MEET SHORTLY TO DECIDE ON PURCHASE PLAN

### May Place Dominion Textile Offer Before Shareholders

From Our Own Correspondent

MONTREAL.—A meeting of the shareholders of Canadian Connecticut Cotton Mills Limited will be held at Sherbrooke next week, when a proposal will be put before them to dispose of the properties of the company.

As mentioned in The Financial Post an offer is understood to have been made by the Dominion Textile Company for Connecticut Cotton, and that it will work out on the basis of $100 or close to this for each share of preferred stock.

At a meeting of the shareholders held in June last, a plan of reorganization of the capital structure of the company was approved. Under this an issue of $1,500,000 of 5½ per cent. 15 year debentures was to be created and the preferred shareholders were to receive for each share of preferred, $50 par value of the debentures and two shares of new no par common stock. Each holder of "A" and "B" common was to receive one-tenth of a share of the new common stock for each share held.

**Wipe Out Debentures**

A purchase plan, it is understood, will result in the wiping out of the new debentures that is, a payment of $50 cash for each preferred share and $25 or almost this amount, for each share of the new no par stock.

At present the Canadian Connecticut Cotton Company does not operate in the same field as the Dominion Textile Company. The purchase of this plant, however, would give Dominion Textile a wider field of operation and would undoubtedly provide for greater diversification and more stability of income.

At the moment the staple cotton textile industry is in an unsatisfactory state. This is not peculiar to the domestic industry but is general the world over. Cotton mills both in England and in the United States have been actively engaged in distributing their production at prices which leave a very small marginal profit, and in some cases, is being sold at a loss.

**Provide Diversification**

In the past few months the American mills have been active in catering to the Canadian trade. A considerable amount of business has gone across the border, attracted by lower prices, which in turn has meant a lowering of business of the Canadian cotton textile companies.

Thus the offer of Dominion Textile for Canadian Connecticut Cotton Company is seen as an attempt by the former concern to provide for a greater degree of diversification of operation, which in turn will reflect itself favorably in the company's financial statements.

## CONSIDER COAL TEST EXPENSES BEFORE BOARD

### Alta. and Maritime Shipments Will be Gone Into

From Our Own Correspondent

MONTREAL.—Details of the cost of the test shipment of coal from Alberta to Ontario and from Nova Scotia and New Brunswick coal fields to St. Lawrence River points, will b gone into thoroughly by the Board of Railway Commissioners next week.

The actual schedule of cost entailed by the experiments will be set before the Commissioners, as required by the Order in Council which authorized the trial shipments. Based on these and the evidence produced before them, the Board will make its report to Parliament.

Last winter the government authorized experiments to last over a period of three months per annum for three years, whereby Alberta coal would be transported to Ontario at a flat rate, stipulating that any difference in cost between the figures set and the actual expenses, would be refunded if necessary to the railway companies. The duty of determining this was placed on the Board of Railway Commissioners which was required to secure from all concerned the particulars of cost.

The experiment was extended to Maritime coal operators and applied to them in two ways, namely, the shipments west of Montreal to Ontario of coal, water borne to St. Lawrence River points, and the shipment to Montreal of coal hauled by rail.

**Test Period Over**

The period of both of these tests has expired for the first fiscal year but the experiments will be continued for two more years as required by the Orders in Council.

The test shipments from Alberta this year cannot be considered as a success. Not only was the movement much smaller than anticipated, but the coal was received at such a late period that it was impossible to obtain any wide distribution for it.

The coal operators in Alberta want the freight rates to be put in force about March 15, instead of around June 1st as they were this year, so that the shipments will be brought east in sufficient time to allow the dealers to secure better distribution.

As far as the quality of the coal is concerned, the Ontario dealers are enthusiastic. Many letters were received by the coal operators from the dealers, and they were all of the same tenor, namely, that if shipments had been made earlier in the year, a much larger quantity of Alberta coal could have been handled.

The Maritime coal shipments to Upper Canada, on the other hand, have been very large this year and the movement is considered a success by the Dominion Fuel Board. Well over a million tons has been forwarded by the shippers, which has been placed without any difficulty.

**List Heating Products Stock**

MONTREAL. — Enamel & Heating Products, Limited, 29,000 no par common shares, have been listed on the Montreal Stock Exchange.

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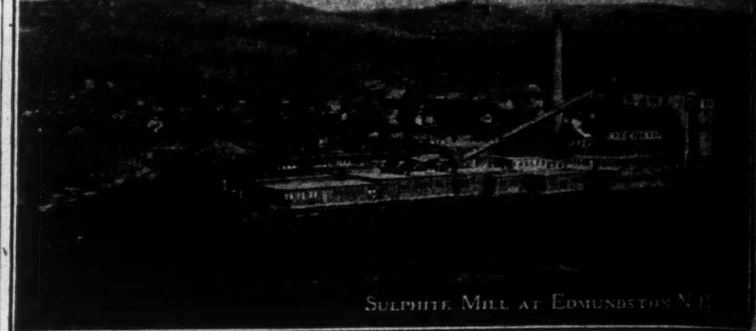
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The Canada Power & Paper Corporation
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Also producing fine and kraft papers, paperboard, paper boxes, paper bags, paper specialties, and sulphite, kraft and groundwood pulps.
Successor and Operating Company of:
Belgo-Canadian Paper Company Limited
Laurentide Company Limited
St. Maurice Paper Company Limited
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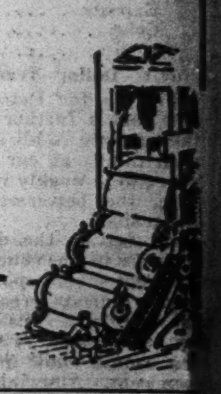
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# Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

## Monarch Royalties

I am considering investing a sum of money in Monarch Royalties. What is your opinion of this security; is it a safe medium?

Monarch Royalties, which are being offered to the public can only be described as a business man's speculation. If you make any investment in the Monarch Royalties it should be done purely as a speculation and not as an investment.

## Canada Cement

I am wondering whether I should sell or hold on to some Canada Cement common that I am holding at present. What would you advise me to do?

Canada Cement is worth holding. The company will undoubtedly show a substantial increase in sales this year and a corresponding increase in profits. It is the dominant company in the industry and supplies by far the major share of Canada's cement requirements.

## Brantford Cordage

I have seen several articles in your paper lately regarding Brantford Cordage. Is the stock of this company suitable for a speculation in a small way?

Brantford Cordage has been doing much better in the past year. Competition from foreign manufacturers apparently has slackened up which has enabled the company to work around to a better position. The situation, however, is still not of the best.

## Utilities "B"

A few months ago I purchased International Utilities "B" stock. It has advanced to beyond 17, but lately has shown signs of weakness. I am wondering if I should sell and get into another stock. My holdings are small.

International Utilities "B" represents rather an attractive speculation. The company is going ahead with its expansion program and has some valuable franchises, especially in Western Canada. The "B" stock is worth holding.

## Bradings Breweries

What is the position of Bradings Breweries? Is the stock good for a hold in your opinion?

Brading's Breweries has been coming along nicely. There is a good demand for its products both in Ontario and Quebec and the company is husbanding its resources, making improvements to plants, and securing a wider distribution for its products. It is being operated on a sound basis and the stock is worth holding.

## Can. Western Gas

Is the preferred stock of Canadian Western Natural Gas, Light, Heat and Power Company suitable as an investment? What information have you on the company?

The preference stock of the Canadian Western Natural Gas Company is a sound investment. It is doing exceptionally well and during the past year has expanded its system in Alberta to many new areas which should reflect itself in increased earnings before very long. The company is ably managed and has many valuable franchises as well as an adequate supply of natural gas.

## Canadian Brewing

Would you advise a limited investment in the stock of Canadian Brewing Corporation? I do not want a stock that is too speculative.

Canadian Brewing Corporation is doing very well and we understand that earnings show a substantial increase this year. The financial position of the company is satisfactory, its liquid assets representing a fair proportion of its resources. The company is going ahead steadily with its programme of expansion and demand for its beer has been up to expectations. We think that over a period of years the stock will do well.

## Page-Hersey

I am considering the purchase of Page-Hersey common stock as an investment. How is the company getting along? Do you think it a safe medium of investment for my funds?

Page-Hersey is said to be doing exceptionally well. The common stock is now selling around 115 and while there has been a number of rumors regarding this company in respect to consolidation it is more than likely that it will continue to operate independently. Current earnings are reported to be exceptionally good, which accounts to some extent for the steady demand for this stock. We think that over a year or two investment in Page-Hersey common should turn out very satisfactorily.

## A Utility Switch

For some time I have been considering a switch from Montreal Power to B.C. Power Corporation "A" stock. The latter pays a higher dividend on capital invested. What is your opinion?

We would hesitate in switching from Montreal Power to British Columbia Power Corporation Class "A" stock. We know what Montreal Power has done in the past and its prospects for the future, but on the other hand, British Columbia Power Corporation has yet to prove its ultimate earning power. The future of both companies appears to be very favorable, but, as said before, we are inclined to favor Montreal Power.

## Carling

Is Carling Breweries a good buy at present prices? Does it pay a dividend? When?

Carling Breweries Limited paid a $2 dividend last year, but at the annual meeting of the company in April it was announced that the dividends would be paid at the end of the year rather than in quarterly instalments. The shareholders thus have been promised a $2 dividend at the end of this year, and possibly it will be larger.

The company's prospects are good, and it is understood that earnings are satisfactory. Subject to the fact that the stock market has not been looking kindly on the alcoholic beverage stocks with one or two exceptions, we would say that the outlook for the Carling stock is reasonably good.

## General Steel Wares

Can you let us have any information on the structure and capital set-up of General Steel Wares? How is the consolidation getting along?

Full details of the organization of General Steel Wares can be obtained through a study of the circulars issued by the investment bankers when this company undertook financing in connection with consolidation. We cannot add anything further than that which appears in the circulars.

We understand that current surplus of General Steel Wares is very satisfactory and there is considerable talk that the company will earn $4 a share on the common stock. It has secured a number of good orders and apparently the merger is working out satisfactorily.

## McColl-Frontenac

Some friends inform me that the stock of McColl-Frontenac is ready for a "bull" movement. I am not familiar with the company, so am writing to get your opinion before making any investment. Do you think the stock will advance in price immediately?

We do not make any attempt to forecast what the market action of a stock will be. We understand, however, that McColl-Frontenac is doing exceptionally well. Since the beginning of the year it has substantially increased the number of service stations under its control and sales of both gasoline and oil show a substantial increment over last year.

As a "straight" investment, McColl-Frontenac stock should do well over a term of years.

## Hayes Wheel and Forgings

Regarding the common shares of the Hayes Wheel and Forgings Limited, I understand the senior securities of this company will at some time in the not far distant future be retired by the management. If this should be the case, to what extent would this affect the present quotations of the common shares now currently quoted around $45 the share? Would not this action considerably enhance the value of the common stock and thus start a decided upswing in the movement of same? If this takes place at what time would this be most liable to occur?

We regard the common stock of Hayes Wheel & Forgings Ltd., a promising speculation for a business man. It is reasonable to assume that the company will retire the preferred stock and bonds at as early a date as is practicable, and, of course in the circumstances the value of the common stock would be materially enhanced.

## Municipal Service

Will you let me have what information you have on the Municipal Service Corporation? Is its stock suitable for investment?

Municipal Service Corporation was incorporated in 1926 to consolidate under one management the following companies: The Hunter Mills at Huntington (a grain and lumber business); L'Aqueduc de Blainville at St. Therese; the waterworks system at Shawbridge, St. Adele, Val Morin; the waterworks system and filtration plant at Amos and a substantial stock interest in Quebec Gas and Electric Corporation.

The finances of this corporation consist of $500,000 first mortgage bonds, $50,500 7 per cent. cumulative preferred and 25,000 shares of no par value common stock.

The enterprise is small.

## Hudson Bay Mining

How do you regard a switch from British Empire Steel 2nd preferred to Hudson Bay Mining & Smelting Company? I have a small loss on the former which I am willing to take if prospects for the latter company warrant the purchase of its stock now.

We are inclined to favor the switch from British Empire Steel second preferred to that of Hudson Bay Mining and Smelting Company. It now looks as if a move is developing on the mining market and if and when this comes about Hudson Bay Mining and Smelting Company stock should show an appreciable advance. As you are probably aware, the company has very strong financial backing, an excellent management, and prospects of handling a very large tonnage of low grade ore from the Flin Flon and Sherritt-Gordon properties.

## Quinte Breweries

A client of ours was persuaded to buy Quinte Breweries, Ltd., Belleville. He has both bonds and preferred stock, and has requested that we enquire from you as to their standing and possibilities.

Regarding Quinte Breweries, Ltd., we have received a letter from Belleville which we quote in part:

"They have a splendid branch in Belleville, fully equipped. Their product is being well received and a new bond issue is being floated. They, of course, have been cramped for working capital, but they have had a good summer's business and have paid off many of their outstanding accounts. Several men of good standing have invested in the enterprise, and we see no reason why they should not go ahead."

Our remarks concerning the outlook for brewery stocks in general still obtain, but in view of the information we have received, which is from a reliable source, we think that the situation as regards Quinte Breweries, Ltd., should tend to improve.

## Pacific (Coyle)

We are holding some of the stock of Pacific (Coyle) Navigation Company. We are wondering how this company is getting on, as we have heard no news for some time, and are undecided to sell, even at a slight loss. Have you any information?

As far as we know the Pacific (Coyle) Navigation Company is meeting with a fair degree of success. As you are aware this company controls a large percentage of the tug and barge business on the coast. There has been a substantial increase in shipping out of Vancouver during the past two or three years and the company is undoubtedly receiving its share of the business.

The management of this company has had a long and varied experience which should prove of value to the organization.

## Can. Locomotive

In view of the bright prospects for the rolling stock equipment companies, I have been considering the purchase of Canadian Locomotive. What is your opinion on this stock?

Purchase of Canadian Locomotive preferred is satisfactory. While earnings of companies in this field have fluctuated widely from year to year, Canadian Locomotive has done comparatively well. Furthermore the prospect of Canadian railways requiring additional motor power in the next year or two enhances the outlook for this company which is reasonably assured of a substantial proportion of whatever business there is. The company gradually is increasing its business in mining machinery which should reflect itself in earning power in the next year or so.

## Besco Common

I am considering the purchase of British Empire Steel Common stock at present market levels. I know that it is a gamble, but believe that the common shareholders will fare well through the reorganization.

Purchase of British Empire Steel common is speculative. The first preferred looks much more attractive. There seem to be real assets behind the latter security.

To date no announcement has been made regarding the reorganization of the company. A new holding company has been formed but it is a matter of guesswork as to how the present stock will be changed for that of the new concern. There will probably be a considerable paring down of capital and the first preferred stands a better chance than either the second preferred or common.

## Should Retain Interest

We are looking for a reliable investment house to which we can turn over our money and let it make such investments for us as it sees fit. Would like to have your opinion on this move, as we are not well versed in financial matters.

We do not look with favor upon your suggestion that you want to link up with a reliable firm to whom you might turn over your funds, relying on its judgment to make the selection of investments for you. This is a move we would not recommend with any firm. We think that you should retain a personal interest in your investments, securing all the information you can, and generally keeping a close hand on the securities in which your money is invested. We are sending you by mail suggestions as to an investment house.

## Rumor Crop Heavy

How about those reports on Teck-Hughes losing its ore? Is there anything in it?

It is difficult in these days of a falling market to keep up with the rumors and run them down. Teck Hughes had two or three good days of rumors, all made out of whole cloth, we are satisfied. Some one wanted the market down and left no stone unturned to get it there. The report you speak about came to us from the country two days before it reached Toronto. You will note that since then, others fell into the rumor mongers' hands. The latest, Malartic broke on a report that a diamond drill failed to get ore, but we know of people who were called up and told to get out, that they were going to close the mine down. We have also met people who were informed when the stock was $1.48 to get out, that they were going to pull the plug.

## Hudson's Bay

I should be glad of any information and advice you can give me concerning Hudson's Bay Trading Co. Do the shares cover all operations?

The Hudson's Bay Co., the stock of which is traded in London, appears to us to be one of the most promising investments in Canada for any person who is willing to be patient. So far as we know, the only stock of this company which is held by the public would participate in the earnings of all branches of the business. This includes trading and operations of the land department.

The last quotations we have observed concerning Hudson's Bay Trading Co., are the equivalent of approximately $31 per share, but in view of the extra expense in purchasing stock in London some Canadian holders of these securities are carrying the stock on their books at $30 per share.

## National Steel

My attention has been directed to present activity in the rolling stock company stocks, and am considering the purchase of National Steel Car. Any information which you might have on this company will be appreciated.

The outlook for National Steel Car Company at present is much better than at any time in the past few years. At the moment the Canadian National Railway and the Canadian Pacific Railway are calling for tenders on a large volume of rolling stock equipment which will provide the companies in this business with sufficient work to keep them busy for many months to come. The railway companies will undoubtedly follow their usual practice of distributing this business pro rata among the different rolling stock companies, so that National Steel Car should receive its share.

The financial statement last year revealed that the company did exceptionally well in view of the small amount of railway business. There is a fair amount of activity in this stock at the moment and it is likely that the rolling stock equipment company group will show an advance in value over the next few months.

## Ten Attractive Stocks

As a subscriber to your paper for the past twenty years possibly you would be good enough to name me eight or ten of the outstanding stocks, which you would consider would show the most appreciation in the next two or three years. Of course, I am quite prepared to take a business man's chance and while security and dividends must be considered yet at the same time it is a few profitable commercials we have in mind similar to Brazilian, Massey-Harris, Imperial Oil, Canada Dry, Mond Nickel, Gypsum & Alabastine, General Steel Wares, common; City Dairy.

Ten attractive stocks on the Canadian market which should do well over a term of two or three years are, in our opinion:

Canadian Pacific Railway, Royal Bank of Canada, City Dairy of Toronto, Massey-Harris Co., Brazilian Traction, Quebec Power, Canadian Canners 2nd preferred, Page-Hersey Tubes, Loblaw Groceterias, Goodyear Tire & Rubber of Canada.

## Wants to Switch

A few months back I purchased some Fraser Co.'s stock. It has fallen off in value. I am considering selling the stock at a loss and reinvesting in Brazilian, which I hear is due for an advance.

If you are prepared to hold your Fraser stock for several months we believe that you will see a further appreciation in value. Since the beginning of the year the company has had underway a very extensive program of development which is now practically rounded out. By the end of this year the position of the company should be considerably strengthened which should reflect itself in the stock market value of the common stock.

Switching from Fraser to Brazilian is pretty much of a toss up. There is a point in favor of Brazilian; it is a much more active stock, more widely held, and it is known to be making larger profits than last year. Also it is said that Brazilian will shortly increase its dividends, but so far there has been no confirmation of this rumor. As you already are holding 100 shares of Brazilian we are of the opinion that it would possibly be better for you to hold on to Fraser stock for the time being.

## Winnipeg Electric

I purchased Winnipeg Electric common on the understanding that it was on a dividend basis. So far I have not received any dividends. What is your opinion of this stock, and do you think I had better hold on to it.

A regular dividend of $2 a share is being paid on the common stock of the Winnipeg Electric Company. It is possible that you have purchased a street certificate in which case the dividend will be paid to the holder, or to the last holder whose name was registered on the books of the company. You should either notify the secretary of the company that you are now holding the stock and have your name registered on the books, or get in touch with the broker from whom you purchased the stock, asking for any back dividends which might possibly be coming to you.

The outlook for Winnipeg Electric is promising. Last month the company was awarded the lease to develop the Seven Sisters Power Site. This will be done through a subsidiary, the North Western Power Company, which is now going ahead with the construction of the plant. Earnings of the company during the current year have shown a satisfactory increase over those of 1927. We consider the stock to be good for a long hold.

## Lake Ontario Brewing

Will you kindly forward as soon as possible your opinion of the stock of Lake Ontario Brewing Company. I have been given to understand that the stock is ready for a substantial advance and want to "get in" before the move gets under way.

We do not see any marked advantage in purchasing Lake Ontario Brewing stock at present. The company is small and, while doing comparatively well, has not done anything remarkable which would justify any substantial increment in the value of its stock during the next month.

For the period from February 15, 1927, to March 31, 1928, the company showed a profit of $36,533 which after the deduction of organization expenses, depreciation, etc., left a net profit of $12,367. A dividend of $11,000 was paid on June 30, 1927, which left a surplus of $1,367. The balance sheet as at March 31, 1928, discloses current assets of $116,824 with current liabilities of $33,870, leaving a working capital of $82,954. An examination of the balance sheet also shows that the total assets of $698,928 goodwill is carried at $141,779 or about 20 per cent. of the total assets. This is high.

As we remarked before we do not see any immediate need for rushing in and buying this stock.

## Imperial Oil

Kindly give me your opinion on the following stocks as future investments over a period of two years: British American Oil, Imperial Oil, International Pete, Service Station "A," Cosmos Imperial Mills, Canada Cement (common), Building Products, Northern Bakeries, Supertest Oil, Hamilton Cottons.

Do you consider 10 shares of each of the above named stocks a good speculation?

We believe that you have made an excellent selection of stocks for a hold of from one to two years. It is, of course, impossible to arrange these in order of merit, but for intrinsic merit we think that Imperial Oil is probably the best. It is a very high grade investment for any person who is not in need of immediate yield. You have perhaps suggested too many of the oil stocks. Including Supertest Petroleum you have four in your list of ten stocks, and you also have Service Station, which is a company prospering along with the oil industry. You might possibly content yourself with International Petroleum for the long hold. There are many persons who believe that International Petroleum has lagged behind the procession.

You have included only one food stock in your list. City Dairy is a food stock with an excellent record, and we believe that over a term of years such a stock as Canadian Canners should do very well.

There is very little authentic information available concerning Northern Bakeries, but we believe that the company is making reasonable progress and that there will be further appreciation in the market value of the stock as the business grows.

Cosmos Imperial Mills is a company which did not do very well last year, but we understand that conditions have improved materially, and this should be reflected in the stock eventually.

Canada Cement common is a promising stock for anyone who will be patient.

Building Products and Hamilton Cottons are two of the smaller companies and the stocks of smaller companies probably will not advance as rapidly or be so stable as the stocks of the leading companies in essential industries. However, the smaller stocks likely will participate in any broad upswing of the market and as these are two sound companies it is reasonable to expect that there will be appreciation in the next two years.

British American Oil is the second largest company in the oil business in Canada, and as such should continue to progress with the country and the developments of the use of oil as a fuel for many purposes.

## Algoma Steel Bonds

I understand that the 5 per cent. bonds of the Algoma Steel Corporation are selling around 65, and at this price they would appear to be entirely out of line as I understand that interest has always been paid on them regularly. I should be very much obliged if you would give me such information as you possess regarding the position of this company as I am considering the desirability of purchasing these bonds for appreciation in capital value.

The five per cent. first and refunding sinking fund bonds which now can be purchased at a few points under 70 per cent. of the par of one hundred pounds sterling, appear to us to be a most attractive speculation in the bond field.

The only prior security of Algoma Steel Corporation is the issue of $5,800,000 of five per cent. purchase money bonds which are owned entirely by the parent company, Lake Superior Corporation, and which form the principal collateral and only sound collateral for the first mortgage and collateral trust bonds of Lake Superior Corporation itself. The five per cent. first and refunding bonds of Algoma Steel Corporation, outstanding at the present time, total slightly more than $15,000,000 so that the total funded debt of the Algoma Steel Corporation is less than $21,000,000.

There is ample physical security for the bonds.

Algoma Steel Corporation did not earn its bond interest of slightly more than $1,000,000 in any recent year until 1928. The bonds you mention sold as low as 25 per cent. of par in 1926 and in 1927 sold at 30 per cent. of par. There has, therefore, been a substantial appreciation in the last several months. Some further appreciation reasonably may be expected in view of the fact that the plant is active and probably will earn its bond interest in the current year and because the new financial control of the company is taking steps which it is hoped will place the property on a stable earning basis.

We do not know if the new financial interests back of the company are going to succeed in all their plans, but it is apparent that they can raise sufficient funds to make the needed additions and improvement to the plant. The executive and personnel at Sault Ste. Marie are high grade. The plant is well located to serve both Eastern and Western Canada. The country is prosperous and the demand for the products of Algoma Steel Corporation steadily is growing.

Bonds of a company which has not earned its interest charges for a number of years until the last year necessarily are speculative, but these bonds appear to us to be attractive as a speculation.

## When Women Invest

**Imperturbability as an Asset for Investors is Exemplified by Very Young, Young Woman Who is Not in Selling Mood Although Her Nickel Holdings Have Quadrupled in Value.**

A WEEKLY FEATURE

She is a demure newcomer in the business world. Thus she questioned a woman of the staff:

"And does The Financial Post print investment news every week?"

"Yes, every week. Are you interested in investments?"

"Well, I have 100 shares of International Nickel."

"You have! That's fine! Have you had it long?"

"It was bought for me at 43, I think."

At current quotations, this young woman's legacy, originally valued at $4,300, is worth something over $18,000.

### Not in Selling Mood

She is imperturbable. While erstwhile holders of Nickel are confessing that they sold at 58 or 65 or 90 or 110 or 150 (we found one who sold it at 15), this young woman has not sold. Perhaps her guardians couldn't. Perhaps the estate was tied up. She is interested but still is not in the selling mood.

There is a moral in this for older, and wiser (?), investors—when you get a good thing hang on. The man who adheres to the saying that you can never get poor taking profits seldom makes the real profits.

Women, be it said, are more patient investors—when they are not gamblers—than are men. Women may never buy on information and always buy on opinions, but at least they never sell on hunches or because they are out of humor.

### Buy the Very Best

In the long run, the biggest money comes from buying the best stocks. There are shrewd traders who have done well with Nickel by trading in and out, but the biggest profits have been—and will be—for those who buy for the long hold.

Nickel and Consolidated Smelters are the best mines. Montreal Power has been the best power stock. City Dairy is the best dairy stock. Dominion Textile is the leading textile stock. Sun Life is the best insurance stock. Steel of Canada is the leading steel stock. Ogilvie Flour has been the best milling stock. Royal is the biggest, and perhaps the most aggressive, bank. Dominion Stores and Loblaws are the leaders in the chain-store field. Imperial Oil is the leading oil company.

Even the best investment must be watched, but those who pick the leaders in each of the essential industries have probably less cause for worry than any other class of investor except those who are content with the moderate—and declining—yield from Dominion government bonds.

Shawinigan Water and Power

Distribution of the 10% stock bonus recently declared by this company will leave many shareholders with fractional shares.

As no dividends are paid on fractions it is in a shareholder's interest to buy a further fraction with a view to making up an even amount of stock.

We shall be pleased to have shareholders avail themselves of our services in the purchase or sale of any fraction they receive as a result of the 10% stock dividend.

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Rolland Paper Company is as old as the fine paper industry in Canada. The pioneer of high-grade paper making in the Dominion, it has operated successfully for forty-five years.

The Company's 6% Cumulative Redeemable Preferred Shares have behind them the tangible assets and increasing earning-power of a very solidly established business. Yielding 6.28%, at present price, they also carry rights to purchase Common Shares at fixed prices up to 1934.

These Preferred Shares afford an opportunity for investment with possibilities of future profit.

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HOW TO INVEST

Absolute security should be the first consideration in making an investment, especially if the investor's means are limited. A security which will not depreciate in value and which is not affected by the fluctuations of the money market is the most desirable investment for any one who wishes to avoid the pitfalls of speculation and keep what has, perhaps, been acquired at considerable self-sacrifice.

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# CANADIAN STOCK AND BOND QUOTATIONS

## Stock Market Record

WEEK ENDING OCT. 30

| | Par Value | Div. Rate | Yield Oct. 29 | High for wk. | Low for wk. | Close Oct. 30 | Close Oct. 23 | Sales for wk. | Range 1928 High | Range 1928 Low |
|---|---|---|---|---|---|---|---|---|---|---|
| **Banks—** | | | | | | | | | | |
| Commerce | $100 | 12+1 | 4.34 | 302 | 289 | 301 | 291 | 410 | 335 | 277 |
| Dominion | 100 | 12+1 | 4.88 | 270 | 264 | 268 | 264½ | 107 | 280 | 250 |
| Can. Nationale | 100 | 10 | 5.26 | 190 | 186 | 186¾ | 190 | 59 | 220 | 185 |
| Imperial | 100 | 12+1 | 4.85 | 268 | 261 | 266 | 261 | 380 | 268 | 245 |
| Montreal | 100 | 12+2 | 3.63 | 390 | 381 | 387 | 381 | 310 | 420 | 334 |
| Nova Scotia | 100 | 16 | 4.01 | 399 | 390 | 398 | 392 | 138 | 410 | 374 |
| Royal | 100 | 12+2 | 3.64 | 389 | 380 | 385 | 388 | 611 | 440 | 330 |
| Standard | 100 | 12 | 4.08 | 294 | 285 | 294 | 285 | 122 | 294 | 235 |
| Toronto | 100 | 12+1 | 4.59 | 283 | 280 | 283 | 280 | 25 | 340 | 274½ |
| **Paper—** | | | | | | | | | | |
| Abitibi | n.p. | 4 | 9.30 | 45 | 37⅞ | 40 | 44¾ | 20264 | 89¾ | 37⅞ |
| Abitibi, pref. | 100 | 7 | ... | .. | ... | ... | ... | ... | 130 | 124 |
| Do. pref. | 100 | 6 | 6.97 | 87½ | 85½ | 88 | 88 | 247 | 103 | 85½ |
| Belgo Can., pref. | 100 | 7 | 6.76 | 105 | 103 | 103 | 106 | 18 | 110 | 101 |
| Brompton | n.p. | $2 | 5.12 | 40 | 35 | 35 | 40 | 8366 | 71 | 34½ |
| Can. Pr. & Paper | n.p. | . | ... | 32¾ | 26 | 26½ | 30½ | 6704 | 55 | 25 |
| Donnacona Paper | n.p. | . | ... | 30 | 27½ | 27½ | 30 | 210 | 47 | 20 |
| Fraser, com. | n.p. | $1 | 1.37 | 78½ | 68 | 74½ | 68⅛ | 10004 | 93 | 47 |
| Inter. Paper, com. | n.p. | $2.40 | 4.06 | 64¾ | 50 | 52½ | 65½ | 19100 | 84⅞ | 56¾ |
| Do. pref. | 100 | 7 | 7.10 | .. | ... | ... | ... | ... | 108 | 98⅞ |
| Pt. Alfred, com. | n.p. | . | ... | 65½ | 54 | 55 | 66½ | 1340 | 150 | 54 |
| Do. pref. | 100 | 7 | 7.14 | 98 | 98 | 98 | 99 | 1 | 108 | 97 |
| Price Bros., com. | 100 | 2 | 2.89 | 76 | 67 | 68 | 76½ | 1705 | 120⅜ | 67 |
| Do. pref. | 100 | 6½ | 6.19 | 105 | 104¼ | 105 | 104½ | 99 | 108 | 103 |
| Smith, How., com. | n.p. | . | ... | 25 | 23¼ | 24 | 25 | 365 | 28½ | 19 |
| Do. pref. | 100 | 6 | 6.66 | .. | ... | ... | ... | ... | 98 | 90 |
| St. Maur. V., pref. | 100 | 7 | 7.36 | 95 | 91½ | 95 | 96 | 55 | 105½ | 94½ |
| Wayagamack | n.p. | $3 | 4.00 | 80 | 71 | 71½ | 80 | 465 | 127¼ | 61 |
| **Steel and Steel Industries—** | | | | | | | | | | |
| B E. Steel, com. | 100 | . | ... | 4½ | 4 | 4½ | 4⅛ | 480 | 8½ | 1 |
| Do. 1st pref. | 100 | . | ... | 34 | 34 | 34 | 35 | 65 | 48½ | 22 |
| Do. 2nd pref. | 100 | . | ... | 6½ | 6 | 6½ | 6⅞ | 1535 | 11¼ | 3½ |
| Can. Car & Fdy., c. | 100 | . | ... | 59⅛ | 55½ | 55½ | 55 | 4435 | 61¼ | 32 |
| Do. pref. | 100 | 7 | 7.25 | 97 | 95 | 96 | 95 | 367 | 97½ | 90 |
| Can. Fairbanks, pf. | 100 | 6+6 | 6.00 | .. | ... | ... | ... | ... | 103 | 100 |
| Can. Forgings, com. | 100 | . | ... | 23 | 20 | 23 | 23 | 105 | 32 | 15 |
| Do. pref. | 100 | 1½† | ... | .. | ... | ... | ... | ... | 100 | 65 |
| Can. Gen. Elec., c. | 50 | . | ... | 116 | 115 | 116 | 115½ | 30 | 116 | 70½ |
| Do. pref. | 50 | 7 | 5.93 | 59 | 58 | 58½ | 59 | 59 | 63 | 58 |

xQuotations for 1927. No sales recorded in 1928 to date.

## Unlisted Stocks

Quotations furnished by A. J. Pattison Jr. & Co., Toronto.

These approximate prices are as at 4 p.m., Oct. 30, and as most transactions in unlisted stocks are the result of personal negotiation, these figures cannot be guaranteed.

### Industrial Stocks

| | Bid | Asked |
|---|---|---|
| Border Cities, pfd. bonus c. | $20.00 | $29.00 |
| Can. Industries, com. | 56.00 | .... |
| Can. Industries, pref. | 109.00 | .... |
| Canada Machinery, com. | 10.00 | 15.00 |
| Canada Machinery, pref. | 30.00 | 40.00 |
| Canada Packers, com. | 38.00 | 42.00 |
| Canada Packers, 7% pref. | 96.50 | 100.00 |
| Can. Paperboard, 7% pref. | .... | 95.00 |
| Canadian Westinghouse | 250.00 | 270.00 |
| Chase, A. W., 8% pref. | 70.00 | 80.00 |
| Clifton Company Ltd. | 136.00 | 175.00 |
| Copeland Flour Mills, pref. | 19.00 | .... |
| Dom. Alloy, pref. bonus c. | 1.00 | 2.00 |
| Dominion Linens, pref. | 16.50 | .... |
| Dom. Manufacturers, com. | 6.00 | .... |
| Dom. Manufacturers, pref. | 70.00 | .... |
| Dom. Sewer Pipe, com. | .... | 65.00 |
| Dominion Sugar, com. | 36.00 | 42.00 |
| Dominion Sugar, 6% pref. | 96.00 | .... |
| Dunlop Tire, 7% pref. | 101.75 | 105.00 |
| Eastern Car, pref. | 70.00 | 80.00 |
| Gillett, E. W. | 90.00 | .... |
| Goodyear Cotton, 7% pref. | 101.50 | 105.00 |
| Greening Wire, 7% pref. | 103.00 | 107.00 |
| Guardian Realty, pref. | 65.00 | 75.00 |
| Harding Carpet, com. | 20.00 | 25.00 |
| Harding Carpet, pref. | 75.00 | 82.00 |
| Heuthers Brewing, pref. | .... | 3.50 |

| | Bid | Asked |
|---|---|---|
| Pacific Coyle, com. | 10½ | 13 |
| Gosse Packing, pref. | .... | 92 |

### Recent Winnipeg Quotations

| | Bid | Asked |
|---|---|---|
| Beaver Fire Co. | 120 | .. |
| Can. Fire Ins. Co. | 108 | .. |
| Home Invest. & S. Assn. | 76 | .. |
| Nor. Can. Mort. | .. | 32 |
| N. Mtge. 50% paid | 26 | .. |
| Northern Trusts Co. | 50 | 52 |
| Standard Trusts Co. | .. | 35 |
| No. Star Oil, pref. | 5.40 | 5.50 |
| No. Star Oil, com. | ... | 5.25 |

## Foreign Exchange

### NEW YORK FUNDS

| | High (Premium) | Low | Last year High (Discount) | Last year Low |
|---|---|---|---|---|
| Oct. 25 | 3-64 | 3-64 | 5-32 | 5-32 |
| Oct. 26 | 1-16 | 3-64 | 5-32 | 5-32 |
| Oct. 27 | 1-16 | 3-64 | 9-64 | 5-32 |
| Oct. 29 | 3-64 | Par | 9-64 | 5-32 |
| Oct. 30 | 1-32 | Par | 9-64 | 5-32 |
| Oct. 31 | 3-64 | 1-64 | 1-8 | 1-8 |

### STERLING, FRANCS and LIRE

| | Sterling Close | Francs Close | Lire Close |
|---|---|---|---|
| Oct. 25 | 4.84 5-8 | 3.90 7-8 | 5.24 1-16 |
| Oct. 26 | 4.84 1-2 | 3.90 11-16 | 5.24 |
| Oct. 27 | 4.84 9-16 | 3.90 3-4 | 5.23 9-16 |
| Oct. 29 | 4.84 9-16 | 3.90 7-16 | 5.23 5-8 |
| Oct. 30 | 4.84 1-2 | 4.90 7-16 | 5.23 5-8 |
| Oct. 31 | 4.84 7-16 | 3.90 3-8 | 5.23 1-2 |

### FOREIGN EXCHANGE

| Par | | Oct. 24 | Oct. 31 |
|---|---|---|---|
| 19.30 | Italian | 5.25 | 5.24 |
| 23.80 | German | 23.83 | 23.83 |
| 13.90 | Belgian | 13.90 | 13.90 |
| 49.80 | Japanese | 46.85 | 46.75 |

### NEW YORK CURB

| | Close Oct. 17 | Close Oct. 24 | Close Oct. 31 |
|---|---|---|---|
| Can. Marconi | 7 1-8 | 9 1-8 | 8 1-8 |
| Ford Canada | 592 | 618 | 585 |
| Imp. Oil Can. | 83 3-4 | 88 1-2 | 84 1-2 |
| Inter. Pete. | 39 | 43 3-8 | 45 3-4 |
| Int. Util. "B" | 13 1-4 | 13 3-8 | 12 1-2 |
| Nipissing | 2 3-4 | 3 1-8 | 3 |
| Noranda | 47 1-2 | 55 1-2 | 51 3-4 |

## Net Gain in Bank Branches Was Seven During October

Eight new branches were opened during October by the chartered banks in Canada, and one branch was closed. Seven of the new branches were in Canada and one in May Pen, Jamaica. The Provincial Bank closed one branch.

The following is a list of the branches opened during the month:

Montreal—St. Lawrence Market, Toronto; Kingston Ave. and Sherbrooke St., Montreal; Frontier, Sask.; Brownvale, Alta.

Nova Scotia—Beechy, Sask.; May Pen, Jamaica.

Royal—Port Perry, Ont.; Whitby, Ont.

## Listed Bond Movements of the Week

Week Ending October 30

| Bonds | Int. Rate | Due | Yield | Range 1927 High | Range 1927 Low | Range 1928 High | Range 1928 Low | Ask | Latest Price Bid |
|---|---|---|---|---|---|---|---|---|---|
| Asbestos | 5 | 1942 | ... | ... | ..... | 106 | 103 | 108¾ | ..... |
| Asbestos, 1st mtge. | 6 | 1941 | 5.88 | 102⅝ | 99 | 106 | 100¾ | 101¾ | 99¾ |
| Asbestos, gen. mtge. | 6 | 1956 | 6.40 | 98 | 88 | 98⅛ | 92¾ | 96 | 92½ |
| Canada Bread | 6 | 1941 | 5.14 | 107½ | 105 | 108½ | 107 | 108¾ | 108 |
| Can. Canners | 6 | 1950 | 5.88 | 102 | 96½ | 103 | 101½ | 102 | ..... |
| Can. Car | 6 | 1939 | 5.10 | 102½ | 102½ | 107½ | 106½ | .. .. | 107½ |
| Can. Con. R. | 6 | 1946 | ... | 103¾ | 102½ | 103¾ | 102½ | ..... | 104 |
| Can. Cottons | 5 | 1940 | ... | 100¼ | 97 | 99½ | 98⅞ | 99½ | ..... |
| Can. Loco. | 6 | 1951 | 6.14 | ... | ..... | 100 | 98¼ | 98¼ | ..... |
| Can. Pr. & Pr., deb. | 5½ | 1956 | 6.06 | ... | ..... | 99½ | 90 | 91⅞ | 90 |
| Can. S. S. | 5 | 1943 | ... | ... | ..... | 108½ | 102½ | 103 | 102 |
| Cedar Rapids | 5 | 1953 | 4.86 | 101⅞ | 96⅝ | 105¾ | 96⅞ | ..... | 101⅞ |
| Dom. Canners | 6 | 1940 | ... | ... | ..... | 104 | 103 | ..... | 104 |
| Dom. Coal | 5 | 1940 | 5.22 | 94¾ | 90 | 99½ | 95 | ..... | 98⅛ |
| Dom. Iron | 5 | 1929 | 8.45 | 93¾ | 69 | 98⅛ | 94 | 96¾ | ..... |
| Lyall Cons. | 6 | 1932 | ... | 95⅞ | 94 | 98¾ | 98¾ | 98¾ | ..... |
| Mex. Elec. | 5 | 1942 | 8.88 | 77 | 60 | 78¼ | 69¼ | 78⅛ | 70 |
| Mex. L. H. & Pr. | 5 | 1940 | 9.17 | 80⅛ | 69⅝ | 87¾ | 70 | 85 | ..... |
| Mont. L. H. & Pr. | 4½ | 1932 | 5.34 | ... | ..... | 97 | 97 | ..... | 97 |
| Mont. Trams. | 5 | 1941 | 5.12 | 101½ | 96⅜ | 103¼ | 98½ | 99¾ | 99 |
| Mont. T. "A" | 5 | 1955 | 5.11 | 100 | 94 | 101¼ | 97 | 99 | 98¼ |
| Mont. G. & R. S. F. "B" | 5 | 1955 | 5.03 | ... | ..... | 102½ | 98 | 99 | 98 |
| Nat. Brew. | 6 | 1939 | 5.39 | 105 | 105 | 105 | 104¾ | 105 | ..... |
| N. S. Steel | 5 | 1959 | 708 | 70 | 64½ | 77 | 73 | 75 | 74 |
| Ogilvie Flour | 6 | 1932 | 5.43 | 104⅞ | 103¼ | 103 | 101¼ | ..... | 101 |
| Do., c. | 6 | 1932 | ... | 105 | 104 | 104 | 104 | ..... | 101 |
| Ont. Steel | 6 | 1943 | ... | 103 | 102 | 104 | 103⅝ | ..... | 104 |
| Porto R. Rly. | 5 | 1936 | ... | 93¾ | 90 | 91¾ | 91¾ | ..... | ..... |
| Postal Tele. | . | .... | ... | ... | ..... | 94 | 93¾ | ..... | 93½ |
| Que. Rly. | 5 | 1939 | ... | 101½ | 96 | 107½ | 100¾ | ..... | ..... |
| Span. R. cum. div. | 6 | 1931 | ... | 108¾ | 107 | 108¼ | 108¼ | ..... | ..... |
| Steel of Can. | 6 | 1940 | 5.10 | 107½ | 105 | 108 | 107½ | 109 | ..... |
| Wayagamack | 6 | 1951 | 5.84 | 104 | 97 | 105 | 100 | 103 | 100 |
| West K. Power | 6 | 1940 | ... | 107⅛ | 107⅛ | 107 | 107 | ..... | ..... |
| Winn. Elec. | 5 | 1935 | ... | 104¾ | 99 | 105½ | 99 | 104 | ..... |
| War Loan | 5 | 1931 | 4.70 | 102.70 | 101.00 | 102.85 | 99.70 | 100.80 | 100.45 |
| Do. | 5 | 1937 | 4.50 | 106.95 | 102.95 | 106.70 | 102.00 | 103.70 | 103.30 |
| Victory Loan | 5½ | 1933 | 4.81 | 106.90 | 103.05 | 106.05 | 102.00 | 103.00 | 102.72 |
| Do., | 5½ | 1934 | 4.97 | 105.75 | 102.80 | 105.85 | 101.90 | 102.55 | 102.50 |
| Do., | 5½ | 1937 | 4.60 | 111.15 | 106.85 | 110.95 | 105.75 | 106.95 | 106.50 |
| Do., Refund | 4½ | 1940 | 4.55 | 102.40 | 96.50 | 102.90 | 96.50 | 99.15 | 98.65 |
| Do., Refund | 5 | 1943 | 4.65 | 106.40 | 102.30 | 103.40 | 101.90 | 103.45 | 103.05 |
| Do., Refund | 4½ | 1944 | 4.53 | 103.00 | 96.60 | 103.05 | 98.20 | 99.35 | 98.65 |
| Do., Refund | 4½ | 1946 | 4.53 | 102.70 | 96.70 | 103.75 | 98.35 | 99.20 | 98.85 |
| Do., Renewal | 5½ | 1932 | 4.95 | 104.40 | 101.85 | 105.80 | 100.90 | 102.70 | 102.25 |

## Flood Barnes Active Bond Prices

| | Price | Rate | Years to Maturity | Next Int. Date |
|---|---|---|---|---|
| Agric. Mtge. Bk. of Colombia Gtd. S.F. 7's due '47 | 98½ | 7 | 19 | Jan. 15 |
| Alberta Pacific Grain 1st S.F. 6's due '46 | 101½ | 6 | 18 | Dec. 1 |
| Argentine Govt. 6's Series B due '58 | 100 | 6 | 30 | Dec. 1 |
| Asbestos Corp. 1st Ref. S.F. 6's due '41 | 102½ | 6 | 13 | Jan. 1 |
| Asbestos Corp. Gen. Mtge. S.F. 6's due '56 | 98 | 6 | 28 | Jan. 1 |
| Bell Tel. of Canada 1st 5's Series B, due '57 | 103¾ | 5 | 29 | Dec. 1 |
| Brazil, United States, Ext. S.F. 6½'s, due '57 | 96½ | 6½ | 29 | Apr. 1 |
| Can. Cement Co. 1st Mtge. S.F. 5½'s due '47 | 102½ | 5½ | 19 | |


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# DISTILLERS CORP.—SEAGRAMS SHARES JOIN IN ACTIVITY

## Stock Moves Up as Shareholders Receive Their First Dividend

Shareholders of Distillers Corporation-Seagrams got their first dividend this week, the twenty-five cent declaration announced on September 21. At the same time they had the pleasant experience of seeing their stock come out of the lethargy it has displayed for some time and advance a few points to around the 21 mark. At this price, those who purchased the original Seagram's stock a couple of years ago have a good profit. They paid $15 a share and this spring got rights for new stock at $10 a share on the basis of one for two making their total cost $40 for three shares now worth over $60.

**Make Old Lines**

At $21 a share, the company has a stock market valuation of over $30,000,000. This high valuation is a recognition of the strong position occupied by the company as a result of the amalgamation of the Canadian business of the old established Distillers Company of Great Britain with the 70 year old business of the Seagrams at Waterloo. The company is now manufacturing liquor at two points, LaSalle, Quebec, and Waterloo, Ontario. The LaSalle plant has a capacity in excess of 3,000,000 gallons of distilled products annually.

Under the direction of inspectors sent out from the British plants the La Salle distillery is now turning out for the Canadian market a number of old established brands that were formerly entirely imported from Britain. Under the contract with the British company the Canadian corporation has the exclusive Canadian market for these products which include some of the best selling liquor lines in Canada,

**Import in Bulk**

Liquor is received in bulk from the British distilleries, and is blended with the product distilled in Montreal, which is identical with the British product in that it is distilled entirely under the supervision of the inspectors sent out from the British plants. Indeed in one case the complete equipment was dismantled in England and shipped to Canada where it has been erected to continue the manufacture of a well-known gin.

Earnings and sales are reported to be entirely satisfactory, and large increases in distribution of certain whiskies have resulted through the ability of the company to make a price reduction on account of blending and bottling in Canada.

Extensive alterations to the La Salle plant, particularly in the storage end have been made, and further storage capacity is being added at the present time. Equipment of the most modern kind is being installed and a very low insurance rate has been earned through the installation of every facility for fire prevention. Storage capacity of approximately 10,000,000 gallons will be available on completion of the new storage plant under construction.

The Waterloo plant is now being doubled and when alterations are completed, this plant will be able to produce around one million gallons of liquor yearly. This gives the company around 4,000,000 gallons annual production capacity and it is believed that this can be fully utilized in view of the growing domestic trade and export business. The large storage capacity, which the company will have on completion of the warehouse now being built in Montreal, will enable it to age its stocks properly in order to maintain the reputation of the old established Canadian and British brands it is producing and marketing.

The Montreal plant has been operating continuously on a large scale and is producing whiskey at a rate of over three and a half million gallons annually, so that the combined manufacturing capacity will shortly be well in excess of four million gallons a year.

Ample storage capacity to provide proper maturing is being arranged for at the Montreal plant. The new 50,000 barrel warehouse, which was undertaken several months ago is practically completed and foundations are already laid for a second warehouse with a similar capacity. Each of these buildings will have a capacity of over 2,000,000 gallons, and when they are completed and in use the company will have a total storage room for over 10,000,000 gallons.

**Fish Fleet Prospers**

The past season was a good one for the Lunenburg fishing fleet, with a catch of 225,875 quintals, is valued at $2,000,000; this being less in volume but greater in value than last year's catch.

# Diversification's Value Revealed in Analysis

## Buying for Investment Shows Up to Advantage Over "Playing the Market" — Selected List Registers Marked Gain in Appreciation

From Our Own Correspondent

MONTREAL.—Diversification and investment in sound common stocks, has been preached to investors so long, that the theme has become somewhat threadbare. In the present bull market large profits have been made by speculators literally overnight. Their success has been pointed out and the investor of small means is at loss as to what course to pursue.

It is possible for one to pick out certain stocks which have recorded astonishing advances in value during the last year or two. It is not possible for anyone to pick out all the favorite securities beforehand, but by the use of common sense and sticking to those securities which have proven themselves as good actors, the results have been little short of spectacular.

**Invested Only $1,081**

In 1920 John Doe, the well-known small investor, had about $1,000 to invest. He wanted security with a fair chance of appreciation. He could not afford to take a chance on putting his savings in common stocks which had not a good record. So he purchased eight stocks in six different fields of industry. These were as follows:

| | | |
|---|---|---|
| Brazilian | 3 sh. @ 33 | $ 99 |
| Imperial Oil | 1 sh. @ 100 | 100 |
| Dom. Bridge | 1 sh. @ 115 | 115 |
| Ogilvie | 1 sh. @ 200 | 200 |
| Mont. Power | 1 sh. @ 90 | 90 |
| Quebec Power | 2 sh. @ 80 | 160 |
| Breweries (Nat.) | 1 sh. @ 207 | 207 |
| Shawinigan | 1 sh. @ 110 | 110 |
| | 11 | $1,081 |

**Pay Top Prices**

Being an ordinary investment, John Doe paid for his purchases near the top price for that year. He might have watched the market closely and saved a few points here and there, but he was an investor rather than a speculator.

During the intervening years, he saw his stocks advance in value. The temptation to sell was strong at times but remembering his original intention of investing, rather than buying stocks for a quick turnover, he held on to his holdings.

From time to time bonuses were declared on his stock, rights were offered and the stock split. On checking up his investments John Doe finds that at current market levels his investment of $1,081 in 1920 has increased to $4,972 and whereas formerly he held 11 shares in eight companies, he now holds 43 shares.

**Now Has Nearly $5,000**

The extent to which the different stocks have advanced in value, without taking into consideration bonuses or stock rights, is shown in the accompanying table:

| | | |
|---|---|---|
| Brazilian | 12 sh. @ 69 | $ 828 |
| Imperial Oil | 4 sh. @ 82 | 328 |
| Dom. Bridge | 5 sh. @ 95 | 475 |
| Ogilvie | 3 sh. @ 450 | 1,350 |
| Mont. Power | 3 sh. @ 105 | 315 |
| Quebec Power | 8 sh. @ 92 | 736 |
| Nat. Breweries | 4 sh. @ 149 | 596 |
| Shawinigan | 4 sh. @ 86 | 344 |
| | 43 | $4,972 |

**Rights Were Valuable**

His profit was really much greater than just the appreciation in principal value, as during the past eight years, he had been receiving regularly dividends on his holdings. Further at one time and another he has received $138.50 in bonuses.

Then again if he had taken up the rights offered, his gain would have been appreciably greater. Shawinigan, for example, has given six stock rights since 1924; National Breweries offered to shareholders one share of stock at $35, which now sells at over $140; Quebec Power rights have been given twice, as also Imperial Oil; Dominion Bridge gave rights early this year, as did Brazilian.

The sale of these rights would have materially added to John Doe's profits over the seven years and would have been further increased if he had taken them up.

All this goes to show that purchase of sound common stocks, in a growing country like Canada, if held over a period of years and disregarding minor fluctuations in the market, will return to the holder handsome profits.

While the investment record of John Doe is mythical, it can be paralleled by many cases. Further it goes to prove that "playing the market" is not always the best way to make money on common stock investments.

# M'COLL-FRONTENAC OFFER NEW RIGHTS TO SHAREHOLDERS

## Proceeds Will be Used to Provide for Plans Under Way

From Our Own Correspondent

MONTREAL.—An additional issue of 70,833 shares of no par value common stock of McColl-Frontenac Oil Company, has been authorized by the directors and will be offered to present shareholders on the basis of one share of new stock for each six shares held, at a price of $20 a share.

Proceeds of this issue will be used to provide for extensions and development of the company's business. In this way, the company receives an additional working capital of about $1,416,600.

There are outstanding at present 425,000 shares of no par value common. With the extra distribution, the company's common stock outstanding is brought up to $495,833 shares. The authorized capital includes 750,000 no par common, so that the company still has a reserve of 254,167 shares to take care of further developments in the future.

**Rights Worth $2**

The shares of McColl-Frontenac are currently selling around $35, and on this basis the rights are worth about $2 a share.

The large demand which has been created for cycle gasoline, an anti-knock motor fuel for which the company holds the exclusive rights in the Dominion, necessitates the installation in Toronto of units to take care of the increased business in that teritory. In addition, it has been found necessary to increase the capacity of the refineries at Montreal and Toronto for Marathon Hi-Test gasoline.

The expansion of the company's business has been greater than originally anticipated by the management. The earnings are showing gratifying increases month by month, and, after allowing for depreciation and prefered dividend requirements, will leave a substantial balance available for distribution on the no par value common shares.

### General Trust of Canada is Now Fully Subscribed

From Our Own Correspondent

MONTREAL.—Capital stock of the General Trust of Canada, $1,105,000, is now fully subscribed. It is divided among 870 shareholders. Two instalments of 25 per cent. each have already been made, the first one at the date of subscription and the second on October 1. Two other instalments of 25 per cent. will become due on January 2nd and April 1, 1929, respectively.

The board of directors have decided to pay 5 per cent. interest on these shares that have been paid up, and a number of shareholders, in view of this decision, have paid their stock in full.


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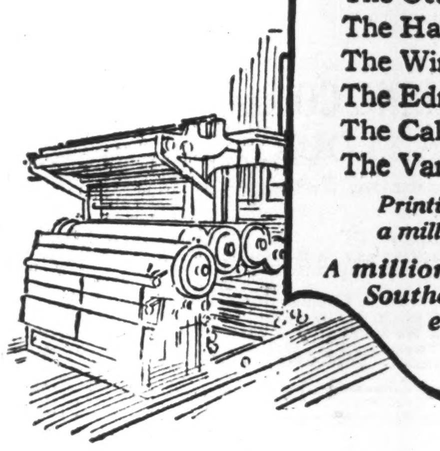


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# GOODYEAR SPLIT IS FORTHCOMING SAYS CARLISLE

## Deferred Waiting Until Course of Rubber Market Determined

## SHARE PROFIT $16.64

### Up More Than $4 Over Previous Year—Some Foreign Business is Rejected

Goodyear Tire & Rubber of Canada earned $16.64 per share of common stock in the fiscal year ended September 30, 1928, compared with $12.11 per share for the preceding year. These earnings are calculated after depreciation, taxes and preferred dividends.

The report was not given out until the annual meeting held October 29, as is customary. At this meeting, which was attended by perhaps 100 shareholders, C. H. Carlisle, president and general manager, confirmed the report published in The Financial Post on September 21, that the common stock would be split. The probable basis was not mentioned, but it is believed it will be five new shares for one old. The time of the split is not determined. Mr. Carlisle intimated that he believed the company should conserve its cash resources until such time as it is determined definitely that the market in crude rubber will be stabilized following the formal lifting of the Stevenson restrictions on November 1. Previously he had expressed the opinion that erratic fluctuations in crude rubber prices are definitely in the past.

**Depreciation is $820,000**

Profit for the year, after taxes, but before depreciation and dividends, was $3,577,697. These are the highest in the history of the company, the record since 1920 being:

| | |
|---|---|
| 1928 | $3,577,697 |
| 1927 | 2,870,610 |
| 1926 | 2,246,641 |
| 1925 | 1,462,852 |
| 1924 | 1,275,378 |
| 1923 | 1,522,361 |
| 1922 | 1,062,024 |
| 1921 | 200,129 |

For 1928 the appropriation for depreciation was $820,487 and this sum Mr. Carlisle characterized as "unusual, really unwarranted" in view of the excellent physical condition of the properties. He told the shareholders present that the properties of the company actually were appreciating in value rather than depreciating.

The profits as recorded do not include additional profits from foreign business in the last quarter of the fiscal year, as the figures are not yet available. Domestic business in the year was increased by 30.5 per cent. The export trade was stationary for the reason that the company had to refuse some business offered. The tire plant at New Toronto and the rubber-goods plant at Bowmanville were operated 24 hours per day throughout the year and the cotton plant at Ste. Hyacinthe, Que., was operated 22 hours per day. Mr. Carlisle announced to the shareholders that the policy of the directors was to add to plant and equipment only as business of a permanent nature was in sight; he pointed out that a partially idle plant eats profits quickly.

**Build Out of Earnings**

In the fiscal year the company spent $650,843 for additions to plant and equipment. A further building at New Toronto will be accepted before the end of the calendar year and the president predicted that still other additions would be required before the next annual report is available. All expenditure for plant additions had been met out of current cash, it was pointed out.

Working capital is $8,639,689, an increase in the year by $1,323,797. Current assets are 6.3 times current liabilities. Cash totals $4,657,445, an increase of $1,522,444. Of this sum $2,700,000 is loaned on call. Reserves for depreciation total 42 per cent. of the gross book values of buildings and equipment.

Preferred stock of the par value of $126,000 was retired, leaving the total of preferred at $7,823,800 at the end of the year. It is understood that the company will continue to retire its preferred through purchases in the open market. It is callable at 110 and is currently selling around 107.

Aside from the sound position demonstrated by the balance sheet, and profit and loss account, the highlight of the report probably was the statement that the company did not have to take "a write-down on its crude rubber or finished product" despite the fact that "the year's business was difficult to handle, owing to the rapid decline in the price of rubber" from a high of 42 cents per pound in January to a low of seventeen cents per pound. This is considered a remarkable showing in view of the fact that the leading rubber companies in the United States took a tremendous inventory loss in the first half of the calendar year following the collapse of the rubber market when the British government announced that the Stevenson restrictions on exports from the Federated Malay States would be abolished as of November 1.

**Had Four Months' Supply**

In the course of his remarks, Mr. Carlisle amplified slightly the statement as to the fortunate position of Goodyear of Canada when the break in rubber prices came. At that time, Goodyear of Canada had on hand something like 11,000,000 pounds of crude rubber. This was about four months' supply, as consumption is about 2,800,000 pounds monthly. It was not explained by what feat the result was accomplished, but it is asserted in the report that the only loss occasioned Goodyear of Canada was in rebates to dealers and other customers for goods on hand when a cut in tire prices was announced.

Mr. Carlisle informed the shareholders that the company's turnover in crude rubber was 17.2 times, the turnover of manufactured goods was 15.2 times and the turnover of goods in branches was 9.8 times.

Goodyear of Canada is getting a 10 per cent. return from the investment in Goodyear Cotton Co. of Ste. Hyacinthe, an enterprise into which only $26,000 cash was put several years ago. Mr. Carlisle explained that it would be profitable for Goodyear to increase the capacity of the cotton plant to about 50,000 spindles from 24,000 spindles but that the company probably would stick to the rubber business so long as other cotton plants in Canada were willing to produce good quality cotton and sell it to Goodyear at equitable prices. Mr. Carlisle said that the average production per spindle was four pounds per day, compared with an average for cotton plants of about 2½ pounds per day. The cotton plant operates 22 hours per day, but would be operated 24 hours per day if the conditions in the Ste. Hyacinthe locality made the change expedient.

Mr. Carlisle told the shareholders that he would continue to send them quarterly letters giving them such information concerning the company as might be of interest. He recalled one letter in which he urged shareholders, not only to be customers of Goodyear themselves, but to get their friends interested in buying Goodyear tires and other products. One result of this letter had been a reply from a Vancouver shareholder who gave the names of seven friends whom he had induced to buy Goodyear tires. Mr. Carlisle suggested that if the 3,000 shareholders of Goodyear of Canada each got three customers, the result would be a gratifying increase in the business of the company.

Then it was that a shareholder arose to approve the idea but also to suggest that if the stock were split there would be more shareholders who could afford to buy it and that if each of the new shareholders got three customers there would be a still better outlook for the company.

"I expected the point to be brought up," said Mr. Carlisle, who went on to explain that, while the balance sheet and the price of the stock justify an immediate split, it would be deferred for the time-being to enable the directors to determine what course the crude rubber market will take on the lifting of the restrictions.

By this time, the meeting had lost much of its formality. George W. McLaughlin of Oshawa as a shareholder sugested that it would be in the shareholders' interest if Mr. Carlisle were driven from his desk for a few weeks in order to take a rest, he having been recently in the hospital for an operation. Mr. McLaughlin referred to the report as brilliant and at his instance a resolution was carried requesting the directors to convey the thanks of the shareholders to the president and general manager, the other executives and to all the employees for their part in achieving such gratifying results.

"Mr. Carlisle has referred to the fact that in the eighteen years of the operation of the company there has been no labor trouble of any kind," Mr. McLaughlin said. "That speaks volumes for both sides. We, as shareholders, owe our thanks to all."

Mr. Carlisle previously referred to the record volume of business which the company had achieved. This he attributed to the 35 per cent. tariff on tires and most other rubber products.

"Adequate protection is one of the most vital requirements of a Canadian industry," he said. "Under this adequate tariff we have been enabled to build a volume of business which enables us to sell the bulk of our products at prices only 5 per cent. above the distress prices at present prevailing in the United States."

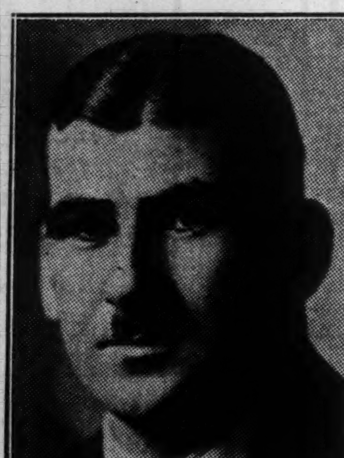
Other directors present were C. B. McNaught, vice-president, and J. E. McAllister. Mr. McNaught, Mr. McAllister, and P. A. Thomson were re-elected directors representative of the preferred shareholders. Mr. Carlisle, P. W. Lichfield, C. F. Stone and C. C. Slusser were re-elected directors to represent the common shareholders. The last three are executives of Goodyear Tire & Rubber of Akron, O. The United States Goodyear company owns a controlling interest in Goodyear of Canada.

Following is the comparative profit and loss account of the company for the last three years:

**Income and Surplus Account**
**Years End. Sept. 30,**

| | 1928 | 1927 | 1926 |
|---|---|---|---|
| Profits ..... | $3,577,697 | $2,870,610 | $2,246,641 |
| Depreciation | 820,487 | 699,220 | 589,276 |
| Net profit .. | 2,757,210 | 2,171,390 | 1,657,365 |
| Pfd. dividends | 547,666 | 617,987 | 679,488 |
| Com. " | 799,800 | 166,623 | ...... |
| Year's surplus | 1,409,744 | 1,386,780 | 977,877 |
| Prev. surplus | 4,491,805 | 3,105,025 | 2,127,148 |
| Total surplus | $5,901,549 | $4,491,805 | $3,105,026 |

**New Bond House**



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# BRANT. CORDAGE GAIN $142,116, NEAR PREDICTION

## Outlook for Current Year Better; Competitive Menace Less

Report of Brantford Cordage Co. for the year ended August 31, 1928, shows operating profit of $142,116 after depreciation and provision for income tax, compared with an operating loss of $147,993 in the previous year, the net improvement in earnings thus being $290,109.

The Financial Post in its issue of September 21 predicted that the company would show profits for the year of about $150,000.

While the net profits for the year just closed were less than the first preferred dividend requirements of $152,000, it is understood that Dutch manufacturers have become tired of selling binder twine in this country under cost of production and that, in these circumstances, profits for the next year should be considerably in excess of dividend requirements. The company in the fiscal year 1926, earned $314,778, and in the fiscal year 1925 earned $627,190.

**First Preferred is Reduced**

Brantford Cordage is without funded debt, the prior charge on the business being the first preferred. The balance sheet shows first preferred of the par value of $1,900,475 outstanding as at August 31, but it is noted that 1,751 shares have been purchased in the open market since the close of the fiscal year. As the par of the stock is $25, these purchases reduce the amount outstanding $1,866,700, on which the dividend requirements would be $149,336 annually.

Current assets as of August 31, total $1,920,771, an increase from $1,893,257. Current liabilities are down from $34,523 to $30,401. The ratio of current assets to current liabilities is 64 to 1. A year ago the ratio was 55 to 1. Cash is up from $154,225 to the substantial amount of $748,204. Inventories are down from $578,339 to $98,210, indicating that the finished products were moved to market much more rapidly this year than last. Receivables are down, also, from $1,144,684 to $1,054,060 and a contingent liability (customers' paper discounted) of $492,212 which appeared in last year's balance sheet is absent from the newest report.

Depreciation account now stands at $258,723, compared with $191,824 a year ago, indicating appropriations of $67,899 for the year. Fixed assets are carried at $1,152,307, which is an increase from $1,118,501. It is understood that the company installed or built labor-saving machinery which lowered costs of production materially. Trade-marks, patent rights and goodwill are carried at the same figure as formerly, $993,797.

Second preferred stock of the par value of $850,000 and 80,000 shares of common of no-par value which are carried at $5 per share are owned by the management and associates.

Following is the comparative profit and loss account for three years:

**INCOME ACCOUNT**
**Years Ending Aug. 31**

| | 1928 $ | 1927 $ | 1926 $ |
|---|---|---|---|
| Net profits (after deprec. and taxes) | 142,116 | *147,993 | 315,128 |
| Less sundry exp. .. | 1,750 | 1,750 | 350 |
| Disc. on shares .... | .... | 4,174 | .... |
| | 140,366 | 145,569 | 314,778 |
| Lsss appropriations: | | | |
| 1st pref. div. .... | 152,038 | 154,628 | 159,005 |
| Res. for bad debts | 450 | 224 | 4,437 |
| Sink. fund exp. .. | .... | .... | 1,420 |
| Surplus for year .. | †12,122 | †300,421 | 149,915 |
| Trans. to P. & L. . | 10,889 | .... | .... |
| Prev. surplus .... | 628,508 | 928,930 | 779,015 |
| Bal. car. forw. .... | 627,275 | 628,509 | 928,930 |

*Loss.
†Deficit.

**List Gurd's Stock**

MONTREAL.—The following securities have been listed on the Montreal Stock Exchange, Charles Gurd & Company, Limited, 60,000 no par common shares. 30,000 no par common shares presently listed have been taken off the list.

## Claire Fontaine Reports Better Business Volume

From Our Own Correspondent

MONTREAL.—Claire Fontaine Ltd., organized to take over the assets of Timmons Limited, in May, 1927, report an increase of 80 per cent. in volume of business done since the operations of the new company began. Timmons Limited was organized in 1871 and went into bankruptcy in 1926. The company was engaged in the manufacture of dry ginger ale, soda and aerated water, under the trade name of Claire Fontaine. The plant is located in Quebec City, on its own mineral spring well, and owns property and buildings to the value of $50,000.

The financial structure of the company is as follows: 7 per cent. preferred stock $35,000 authorized, $31,000 issued. Common stock, $100,000 authorized and issued. Funded debt consists of $25,000 of bonds issued and held by the bank as security on loans. Officers and directors are C. F. Falkenberg, pres., George Garneau, vice-pres., L. D. Hudon, sec.-treas., and gen. man.; C. G. Dunn, director; J. E. Dathan, director.

Approximately 70 per cent. of the common stock is held by those in control, the balance is distributed between 15 or 20 shareholders. Timmons Limited formerly were the sole agent for National Breweries in Quebec, but that company now operates its own agency.

## Shareholders Approve Eng. Electric's New Plan

From Our Own Correspondent

MONTREAL.—Rearrangement of the capital structure of the English Electric Company was approved at a meeting of shareholders held last week. The present structure is as follows: 30,000 shares of no par common and 20,000 shares of preferred stock par value $100. Reorganization calls for the cancellation of the preferred and no par value stock outstanding together with the cancellation of all dividend arrears. These arrears constitute 24 per cent. as at December 31 last.

There are to be 50,000 shares of class "A" and class "B" authorized. Of this 40,000 shares of class "A" will be issued on the basis of 2 shares of "A" and one half share of "B" for each share of the old preferred stock. 30,000 shares of class "B" will be issued to holders of the old common on a share for share basis. The remaining 10,000 shares of "A" and "B" will be held for future issuance. An initial dividend of $1.60 a share has been declared on the "A" stock shares. 1,600 shareholders voted in favor of the new plant which must have the approval of a judge of the superior court in Quebec before becoming effective.

## Regent Knitting's Mill is Ready at St. Jerome

From Our Own Correspondent

MONTREAL.—Construction work on the new mill being erected by the Regent Knitting Mills Limited, is now practically completed. It is hoped to begin removal operations from the old plant in Montreal about November 15. The transfer of machinery and equipment will be a gradual process of necessity, so that working schedules will not be disturbed, but it is expected that the whole plant will be in place and operating in the new location by May 1 next year, when the lease on the premises presently occupied expires.

It is expected that earnings of the company will benefit considerably by the transfer to the new mill. It has been estimated that the saving in overhead charges, through elimination of high rentals now being paid, and the installation of more efficient equipment, will amount to $50,000 a year. A special arrangement with the town of St. Jerome also relieves the company of a tax charge for a period of ten years, and the allotment by the municipality of 200,000 square feet of land without charge is a factor which must be considered as beneficial to the company's balance sheet.

## Challenge of the Wild

At this time when deer roam through the forest and the tracks of moose and bear are found along the streams, there is aroused in every hunter an urge, a desire to invade the great North Woods, and there in their natural habitat, match his hunter's skill against the instinct and cunning of these prized forest denizens.

The seasons for big game in Ontario this year are as follows: North of the Mattawa river and main line of the Can. Pacific Railway to Heron Bay on Lake Superior and south of main line of Canadian National Railway—Oct. 20 to Nov. 25 inclusive; north of Lake Nipissing and the French River and south of Canadian Pacific Railway main line to Heron Bay — Nov. 1 to Nov. 25 inclusive except that on St. Joseph's Island in District of Algoma, season is Nov. 10 to Nov. 25 inclusive. South of French and Mattawa rivers, Nov. 5 to Nov. 20 inclusive.

Special Hunters' train leaves Toronto 10.00 p.m. for Sudbury, Nov. 1, 2, and 3.

For information as to best localities, game laws, train service, etc., consult nearest Canadian Pacific Agent.

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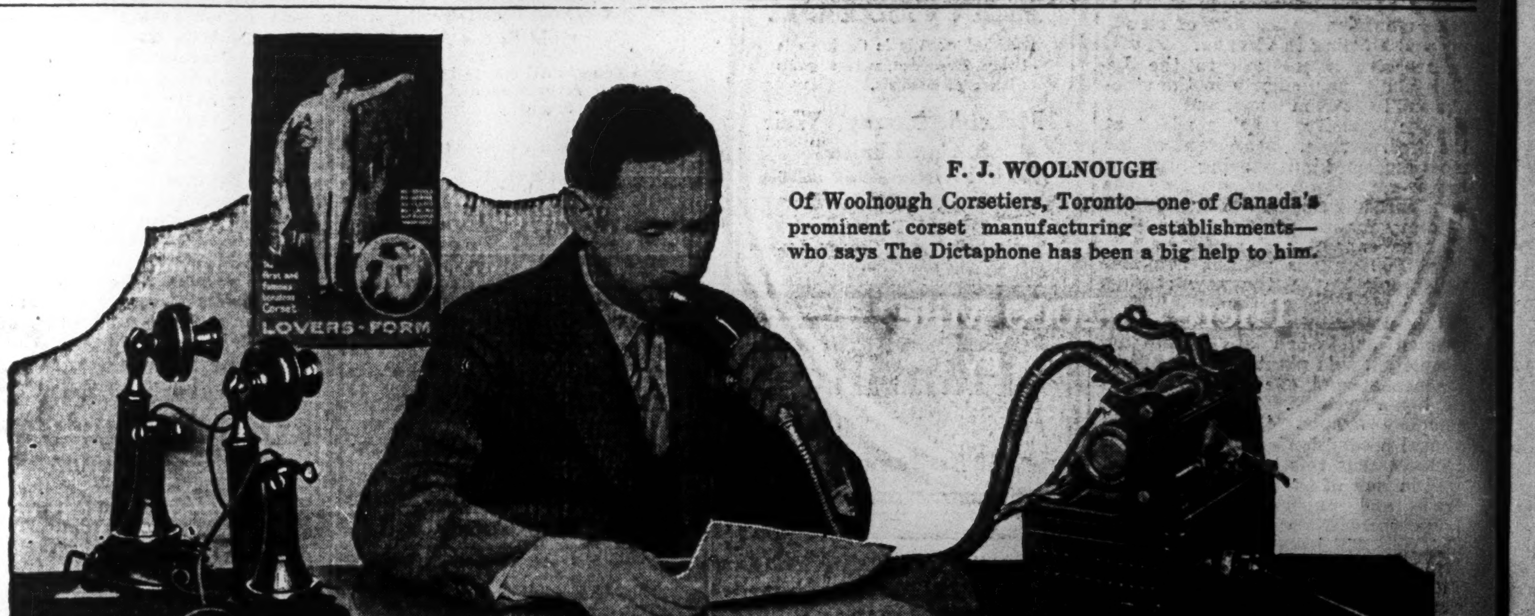

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# PROFIT WAY UP, LAURA SECORD DIVIDEND IS $2

## Report Reveals Company In Much Stronger Position

Laura Secord Candy Shops earned $4.28 per share of common after all charges, including preferred dividends, in the year ended September 30, 1928, and otherwise the report just published shows the company to have improved its position substantially over the previous year.

With the publication of the report comes the announcement of a dividend on the common stock at the rate of $2 the year. The maiden payment is due December 1 to shareholders of record November 15.

Working capital is up from $331,751 to $552,303. Current assets are up from $359,789 to $600,649. Current liabilities are increased from $29,202 to $48,346. Cash is less but the company has added greatly to its holdings of government and municipal bonds, this item now standing at $432,502, compared with $122,867 a year ago.

### Buy Fanny Shares

Although additions have been made to plant and equipment in the last year, the fixed assets, less depreciation, are shown at the moderate figure of $540,900, compared with $612,484 a year ago. Goodwill is shown at $1.

Laura Secord's investment in Fanny Farmer has increased materially. A year ago, the shares valued at cost were shown at $68,711 and numbered 2,072. The number of Fanny Farmer shares now held is not given, but the cost and accrued dividend are shown at $115,979.

Years Ending September 30

| | 1928 | 1927 |
|---|---|---|
| Net profits | $206,438 | $167,811 |
| Less: Pfd. div. | 49,397 | 43,654 |
| Surplus for year | $157,041 | $124,157 |
| Prev. surplus | 124,157 | ...... |
| Carried forward | $281,198 | $124,157 |

## Joint Managers of New Brokcrage Branch

ALAN S. HOUSTON, formerly of Cochran, Hay & Company, who with Clarkson O. Jones is managing a branch office of Jones, Heward & Company, members Montreal Stock Exchange and the Montreal Curb Market.

CLARKSON O. JONES, formerly of Cochran, Hay & Company, who with Alan S. Houston, is managing a branch office of Jones, Heward & Company, members of the Montreal Stock Exchange and the Montreal Curb Market.

## Still Talk Benefits to Bridge Shareholders

From Our Own Correspondent

MONTREAL. — Continued rumors persist that Dominion Bridge will make some further present to its shareholders shortly. Though it is only about two weeks since the company declared a bonus of twenty cents in addition to the regular dividend, the continued strength of the stock gives credibility to the expectation of some further disbursement. This, it is said, will take the form of a stock bonus, not, however, of Dominion Bridge, but perhaps of its subsidiary, Dominion Engineering, whose stock is at present selling some ten points higher than that of the parent company. Any rewards to shareholders along these lines, would undoubtedly be highly valued as the outlook for Dominion Engineering is seemingly excellent in common with the prospects of the various other companies which are dependent on structural activity at the present time.

### Opening Coal Mine

Fifty men are employed at the Pleasant Valley coal mines, being developed by the C. N. P. Coal Co. interests.

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There's a 2000 Mile Trip in Every Filling!

# CAN. IND. ALCO. STOCKS OCCUPIES SOUND POSITION

## Profits for Last Twelve Months Excellent — In Strong Position

From Our Own Correspondent

MONTREAL.—Following its usual custom, Canadian Industrial Alcohol will not make public its financial statement for the fiscal year ended September 30 last, until the middle of December.

From occasional statements made by the management, it is inferred that net earnings for the year will approximate $3,000,000. This is on the basis of production for the twelve months over 4,000,000 gallons. Not all of this was sold, a proportion being put in storage. By the end of this year, the company expects to have reserves of at least 10,000,000 gallons.

If the ratio of increase in net profits of the past three years be maintained, earnings for 1927-28 should come close to, or better, the $3,000,000 mark. For the fiscal year 1927, Alcohol reported net profits of $2,413,996, which was a trifle over $300,000 higher than in the preceding year.

Since its establishment in 1924, Industrial Alcohol has followed the sound policy of building up big reserves and generally strengthening the financial structure of the company. The profit and loss surplus has grown from $1,296,462 in 1924 to $3,134,208 in 1927. The value of stocks on hand has been made on a very conservative basis, yet this item has grown by over $1,000,000 in the last three years. The new report is likely to show a figure of $4,000,000 or better for this item. Investments were carried on the books as at September 30, 1927, at $5,293,264.

### Working Capital Grows

Another good indication of the company's financial strength, is seen in the manner in which working capital has grown. In 1925 the surplus of current assets over current liabilities was only $969,909. The following year the figure had jumped to $3,125,840 and for 1927 to $4,253,443.

So far the stock market has not reflected the bringing out of a favorable report. This has been due to two causes, namely, the pending suit of the government for back sales taxes and the cutting of prices for industrial alcohol.

Even if the Dominion be successful in its move to force the company to pay back sales tax, it would not seriously affect the company's financial position. On the other hand, the government's claim for $1,000,000, will undoubtedly be hotly contested and a mutual agreement arrived at outside of the courts.

The Federal Government has been successful in its suits against other distillery companies, but, as in the case of Hiram Walker-Gooderham Worts, the threat to carry the case to the Privy Council has brought forth a conciliatory attitude on the part of the government, which is not too anxious to take the matter to London for final decision.

The cut in industrial alcohol prices at mid-summer, is not expected to have any appreciable effect on earnings. Companies like Industrial Alcohol, Hiram Walker, and Distillers-Seagram are in a strong position to meet price cutting by the smaller companies.

At present levels of about $40, the stock of Industrial Alcohol does not seem to be out of line.

# GOODYEAR COTTON PROFITS INCREASE; OUTPUT UP ALSO

## Rubber Company's Subsidiary in Sound Position Says President

Annual report of Goodyear Cotton for the year ended September 30 shows profits of $154,058 after depreciation, bond interest and taxes, compared with profits of $140,299 in the previous fiscal year. When the plant was taken over by Goodyear on April 1, 1926, the cotton company had no working capital. The working capital now is $180,000. Reserves for depreciation in the same time have grown from nothing to $361,340. Mr. Carlisle says that ample provision has been made for all contingencies and through improvements to machinery the output per employee was increased in the last year by 24.3 per cent.

Investment interest in this company is limited to the $300,000 of 6 per cent. first mortgage bonds and to $475,000 of 7 per cent. cumulative preferred stock. Profit and loss for the last two years follows:

| | 1928 | 1927 |
|---|---|---|
| Profits | $154,058 | $140,299 |
| Less pfd. div. | 33,250 | 33,250 |
| Surplus for year | $110,808 | $107,049 |
| Add prev. surplus | 140,482 | 33,033 |
| Carried forward | $251,290 | $140,482 |

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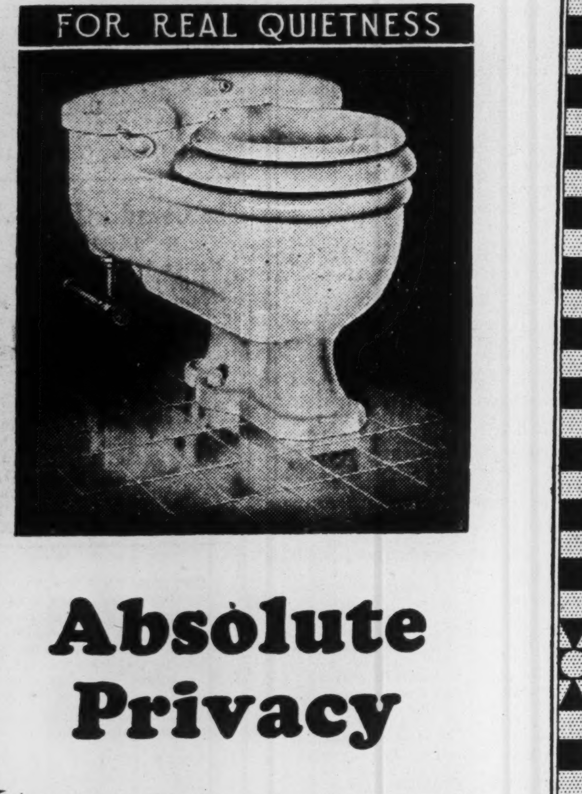

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2

# MANFRS. FINANCE GENERAL MANAGER PUT UNDER ARREST

## Merit of Collateral Deposited With Trust Co. Questioned

The latest developments in the affairs of the Manufacturers Finance Corp. have been the arrests of W. N. McDonald, secretary-treasurer and general manager of the corporation and brother of Senator J. A. McDonald, president of the company, and Joseph W. R. Cote, manufacturing piano agent.

The charge on which McDonald was arraigned in Toronto police court was that he had stolen money or securities to the value of $500,000 "more or less," the property of note and bondholders of the finance corporation.

Cote is accused of the theft of securities valued at $1,500 which are alleged to have been the property of Manufacturers Finance Corp.

### G. T. Clarkson Investigates

Manufacturers Finance Corp. was thrown into bankruptcy on July 17 last and subsequently G. T. Clarkson was appointed to make an investigation of the company's affairs under the jurisdiction of the court.

Individuals all over Canada were induced to buy the preferred stock, guaranteed investment receipts or collateral trust gold bonds of the corporation. The report for the year ended January 31, 1928, showed outstanding:

| | |
|---|---|
| Investment receipts | $ 171,029 |
| Collateral trust bonds | 1,086,491 |
| Preferred stock | 1,836,560 |
| Total | $2,094.080 |
| Common stock | 33,000 shares |

The company was a small one originally and was formed primarily to finance the sale on time of the product of the Amherst Piano Co. of Amherst, N.S., an enterprise of Senator McDonald.

Expansion was rapid through the absorption of a number of smaller concerns in the same line of business. It was difficult to compare balance sheets from year to year because there was a constant growth of book assets, and an apparent growth in earnings. Until recently, the preferred stock of $10 par value was quoted by dealers in unlisted securities as being worth from $6 to $7 per share.

### Preferred Believed Worthless

It is apparent that there will be nothing for the preferred shareholders in the liquidation of the company, but it is believed that note and bondholders will get all, or nearly all, their money back.

It has been questioned if the insurance feature of the securities is worth anything because the insurance companies claim that requirements of the policies were not adhered to by the corporation.

Officers and directors of Manufacturers Finance Corp. at the time of the institution of bankruptcy proceedings are given as follows:

Hon. J. A. McDonald, Senator, president, Ottawa; J. A. C. Cameron, K.C., vice-president, Toronto; W. M. McDonald, secretary-treasurer and general manager (a brother of Senator McDonald), Toronto; Col. Robert R. Starke, president Starke-Seybold Co., Montreal; Hon. Gideon D. Robertson, a former Dominion Minister of Labor in the Meighen Government; Col. D. R. Street, secretary of the Ottawa Electric Light Co., Ottawa; W. J. Westaway, Hamilton, head of the Westaway Co., and interested in other Hamilton concerns; Wm. Duff, M.P., Lunenburg, N.S., director of Nova Scotia Trust and other companies; Col. Boyd Anderson, C.M.G., D.S.O., Moncton, N. B.; Charles B. Howard, Sherbrooke, Quebec, interested in real estate, insurance and mutual fire insurance companies; Col. J. L. McKinnon, Halifax, N.S.; A. E. Hill, Chicago, Ill.; W. E. Meyers (elected but not qualified), British West Indies.

# PHOTO ENGRAVERS BUYS GRAVURE PLANT

## Commercial Work on Program of Expansion for Engravers

Photo-Engravers & Electrotypers, Ltd., has purchased the plant of the Dominion Gravure Co. in Toronto and will produce gravure printing.

Dominion Gravure Co. was established at Bridgeburg, Ont., a number of years ago as a Canadian subsidiary of Buffalo Gravure Co., controlled by William J. Connors, owner of the Buffalo Courier. The Canadian plant produced the gravure section of the Toronto Sunday World until the sale of the Sunday World to the Star, which has its own gravure plant, and the La Presse and La Patrie of Montreal. Both these papers now have their own gravure plants.

Plant of Dominion Gravure was moved to Toronto about two years ago and continued as a commercial-gravure company.

Gravure process requires engraving both photographs and letter press direct to copper cylinders and production of these engravings is a highly specialized work which, it is believed, will fit in well with the operations of Photo-Engravers. When the Dominion Gravure was at Bridgeburg the engraved cylinders were imported via ferry and motor-truck.

## Monthly Bank Clearings

(In comparison with same month last year)

| Eastern Cities | Oct., 1927 | Oct., 1928 |
|---|---|---|
| Halifax | $ 13,702,991 | $ 16,670,044 |
| Saint John | 11,655,223 | 13,037,483 |
| Moncton | 3,934,355 | 4,472,796 |
| Quebec | 29,928,335 | 32,658,630 |
| Montreal | 653,718,715 | 788,284,630 |
| Sherbrooke | 4,104,958 | 4,689,907 |
| Ottawa | 38,178,332 | 41,634,577 |
| Kingston | 3,088,523 | 4,685,861 |
| Peterboro | 4,116,921 | 4,834,782 |
| Toronto | 624,134,217 | 754,220,119 |
| Hamilton | 27,057,069 | 30,126,564 |
| Brantford | 6,539,439 | 6,988,117 |
| London | 14,793,702 | 16,867,899 |
| Sarnia | 3,480,745 | 3,554,224 |
| Kitchener | 5,841,924 | 6,063,234 |
| Windsor | ....... | 28,465,655 |
| Chatham | ....... | 3,836,028 |
| **Western Cities** | **Oct., 1927** | **Oct., 1928** |
| Winnipeg | $290,742,244 | $417,437,596 |
| Brandon | 3,380,822 | 5,174,965 |
| Moose Jaw | 7,179,089 | 7,950,451 |
| Saskatoon | 10,887,201 | 15,497,867 |
| Prince Albert | 1,322,298 | 2,796,769 |
| Calgary | 38,920,610 | ....... |
| Lethbridge | 3,618,968 | 4,844,503 |
| Edmonton | 25,026,409 | 34,979,237 |
| Medicine Hat | ....... | 3,064,338 |
| Vancouver | 79,477,850 | 104,534,951 |
| New Westminster | 3,753,093 | 4,528,742 |
| Victoria | 11,871,345 | 12,204,552 |
| Fort William | 5,179,039 | 6,081,521 |
| Regina | 26,545,888 | 39,297,050 |

# Voting Trust in McKinnon is Terminated

Voting trust of the majority of the common shares of McKinnon Industries is to be terminated on November 7, according to a letter being sent out by National Trust Co.

This voting trust was to have held until 1930, but it is announced that the purposes for which the voting trust was originally formed no longer obtain and that there is no need to retain it.

The National Trust letter reads as follows:

"Notice is hereby given to the holders of Common Stock Voting Trust Certificates covering non-assessable common shares without nominal or par value of the capital stock of the McKinnon Industries, Limited, issued pursuant to voting trust agreement dated 12th November, 1925, that the undersigned voting trustees have by declaration terminated the said Voting Trust Agreement as of the 7th of November, 1928.

"On and after the 7th day of November, 1928, holders of Common Stock Voting Trust Certificates may surrender the same to the National Trust Company and will receive in exchange common stock certificates for the shares represented by such Voting Trust Certificates.

"From and after 7th of November the Common Stock Voting Trust Certificates will be withdrawn from the Toronto Stock Exchange list.

"Signed by B. W. Buttsell, John R. Lamb and R. A. Daly."

## Queen's Park Plaza to Open in February

Queen's Park Plaza, Toronto's skyscraper apartment hotel, will be opened some time in February, it is said now. Work is proceeding satisfactorily. The stone facing is being put on and the brick work on the west and north sides of the building is rapidly closing in the floors.

The street floor of the hotel will be ready and occupied earlier, it is understood, and rentals of the different stores are being made. Reservations only are being taken for the apartments. One feature of the plan under which the hotel will be operated is that on each floor a number of rooms will be set aside for the use of transients. This is done to enable the permanent apartment holders to engage a room for a guest which would be near or adjoining their own apartment.

### GRINDING WHEELS EXPAND

Lion Grinding Wheels, Ltd., of Brockville, has just made an addition to their already modern and extensive equipment by the installation of two hydraulic presses, one of 1,000 tons and the other of 550 tons. They have also purchased additional oven and full equipment for the manufacture of a new process wheel especially adapted for grinding skates, saws and cutlery without drawing the temper of the steel.

### Algoma Ships Benzol

The first car of benzol from the $250,000 plant of Algoma Steel Corp. plant at Sault Ste. Marie was shipped last week. Benzol is a high-grade motor fuel and its manufacture at Sault Ste. Marie is in line with the corporation's policy of developing its by-products.

### Brazilian Traction

Brazilian Traction is negotiating for the sale of its telephone subsidiary.

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# Increased Output of Coarse Grains Offsets Low Grade

## Wheat Yields Are High But Grade Varies Between Different Districts in Western Canada — But Oats, Barley, Rye and Flax Bring in Large Cash Returns

Volume of grain production, together with a consideration of prices, usually gives a fair indication of prospective business conditions in the Prairie Provinces but such a "measure" is not, in itself, sufficient this year.

In a survey of production and grading prepared especially for The Financial Post by the W. Sanford Evans Service, and published in the accompanying table, important points stand out which merit close attention by those interested in Western Canada.

The production is shown by districts, with last year's figures in direct contrast and the distribution of quality, in so far as grading is concerned, a very important factor in money returns, is also set out. A glance at the daily price levels of the various grades of wheat is enough to show how materially the net return per bushel will vary this year as between districts in the Prairie Provinces.

**Manitoba Wheat Grades High**

By provinces, the average bushel of Manitoba wheat, apart from the lower freights and the fact of the wheat being approximately half durum, has an advantage in grading over Saskatchewan and Alberta wheat which gives Manitoba a comparatively better showing than bare production figures would indicate. On the whole Manitoba has roughly about 33 per cent. wheat below No. 3 Northern and No. 3 Durum while Saskatchewan has about 60 per cent. and Alberta 65 per cent. below No. 3 Northern.

Within the provinces the grain production of the ten districts is shown to be heavier than last year, with the exception of districts No. 9 and No. 10 in Alberta. Alberta has not equalled the remarkable crop of 1927, average yields being considerably lower, but increased acreage has resulted in the 1928 volume not being very much less, though a recent report from Edmonton indicates a smaller wheat crop than shown in the above table.

**Low Yields in One Spot Only**

Of the mainly cash crops—wheat, rye and flax—the growing of the latter two is not general, production centring heavily in certain districts. Flax has been a fairly remunerative crop wherever grown, while rye is good, bad or indifferent to the locality. Wheat, the main cash crop, has not been a failure in any one important area, though the southeast portion of No. 1 district has a rather low average yield but in this area the production is more than double that of last year. Floods in the Red River Valley caused the rather low yield in this instance.

While Manitoba wheat, almost generally, has a marked advantage over Saskatchewan and Alberta in the matter of grades, each province has wide variations in wheat grades as between their own districts. Districts No. 1 and No. 2, the heavy producing areas in Manitoba, have a much better showing than No. 3 the other district in that province. In Saskatchewan, the feature is No. 7 district with its enormous production and also comparatively small percentage of low wheat, while No. 8 district leads in Alberta.

**Other Grains Important**

The production figures indicated in the table show the importance of the other grains. Wheat is so spectacular, and so much in the public eye that the importance of the other grain crops is dimmed. All wheat, except the small amount required for seed, feed and country mill requirements, floods the markets undisguised, attracting a full measure of attention, while a large portion of the coarse grains under the guise of livestock, and livestock products, do not make nearly the impression to which they are entitled. In 1927, a poor other grain year, the value of the products largely dependent on coarse grains which were marketed, amounted to $132,402,404 for the Prairie Provinces and the quantities of coarse grains marketed at $53,838,260, making a total value at country stations of $186,240,664, to say nothing of the portion used on the farm for human food and power purposes. As the 1927 wheat marketings were valued at $438,726,598 as at country stations, it would appear that other grains are more important than commonly supposed.

**Make Up For Grade Reductions**

In the present year the production of grains, other than wheat, amounts to 459,964,000 bushels as compared to 364,998,000 bushels last year and this increase of 95,000,000 in coarse grains should make up for the lower grades of the wheat, and make the aggregate crop considerably more valuable than last year, provided prices do not become further depressed.

No one thing is more reassuring about the present wheat crop, than the recent reports that Europe is purchasing our lower grades. It takes some time for the merits of the different grades to be determined but with definite assurance, based on practical tests, that the low grades this year possess good milling, baking and blending qualities, one of the most serious problems, that it might have become necessary to carry over a large quantity of unwanted low grade wheat, is to a large extent removed.

Looking over the whole field business conditions for the incoming season should average out quite favorably but not to the extent that might appear from considering only production figures. If grain price levels do not become severely depressed, general business should be even better than last year, though somewhat slower in the first few months than might be expected.

The recent strength of the grain market in the face of the enormous deliveries and prospective heavy world wheat supplies has been very encouraging. Some suggestion is made that farmers are not selling but that can only be true to a moderate extent in view of the imperative necessity of meeting threshing expenses, storebills, land and other payments. Another suggestion is that elevator companies are not hedging to the customary extent. This is not easily determinable.

**Long Term Growth**

From the standpoint of long term records, the following figures go a long way toward explaining the much improved financial position of Western Canada, indeed of Canada as a whole.

**The Story of Wheat in Prairie Provinces**

| | Total Acreage All Field Crops | Total Acreage Wheat | Total Wheat Yield (Bushels) | Yield of Wheat per Acre | 5 Yr. Aver. Yield per Acre |
|---|---|---|---|---|---|
| 1915 | 22,451,330 | 13,867,715 | 360,187,000 | 25.9 | |
| 1916 | 24,291,273 | 14,362,809 | 242,314,000 | 16.8 | |
| 1917 | 26,208,318 | 13,719,410 | 211,953,100 | 15.5 | |
| 1918 | 30,397,413 | 16,125,451 | 164,436,100 | 10.2 | |
| 1919 | 31,945,843 | 17,750,167 | 165,544,300 | 9.3 | |
| 1920 | 30,185,404 | 16,841,174 | 234,138,300 | 13.9 | 12.9 |
| 1921 | 32,203,306 | 22,181,329 | 280,098,000 | 12.6 | |
| 1922 | 34,252,112 | 21,223,448 | 375,194,000 | 17.7 | |
| 1923 | 34,016,233 | 20,879,558 | 452,260,000 | 21.7 | |
| 1924 | 35,095,126 | 21,066,221 | 235,694,000 | 11.2 | |
| 1925 | 35,673,260 | 20,942,590 | 382,959,000 | 18.3 | 18.0 |
| 1926 | 37,826,333 | 21,896,713 | 383,440,000 | 17.5 | |
| 1927 | 36,468,175 | 21,425,656 | 452,000,000 | 21.5 | |
| 1928 | *39,122,000 | 23,158,505 | 557,324,000 | 24.1 | |

*Includes Alberta Grain Hay acreage.

In the five-year period 1923-27, the yearly average wheat production was 381,270,600 bushels as compared to a yearly average of 203,882,140 bushels in the preceding five-year period 1918-22. The average yearly wheat acreage in the earlier of these two periods was 18,824,313 acres and in the later five-year period 21,242,147 acres. The five-year average wheat yield per acre in the past five years was 18.0 bushels and in the 1918-22 period 12.9 bushels.

Increased acreage, bigger yields per acre and somewhat lower grain production costs are the actual reasons for the improving conditions in the West.

**Western Canada is Going Ahead**

In 1921, the net value of all production in Manitoba, Saskatchewan and Alberta was $526,232,528; 1922, $630,443,689, in 1923, $645,493,271, in 1924, $638,294,304 and in 1925, $799,452,664. Having in view the changing purchasing power of the dollar and weighing these figures accordingly, the comparison would be even more favorable. The most striking point in the above figures is that in 1921, the net value of production for each man, woman and child in Western Canada was $270, while in 1925, the average net value per capita was $386. Statistics on 1925 were the last released in this connection, but individual groups of industries have shown such improvement as to make certain that final returns will show 1926 and 1927 to have marked another forward step.

**Variations Obscure Progress**

The Prairie Provinces are just getting into stride. Variations from year to year, bad years interspersed with good, tend to obscure the remarkable progress that is being made, but compare the following:

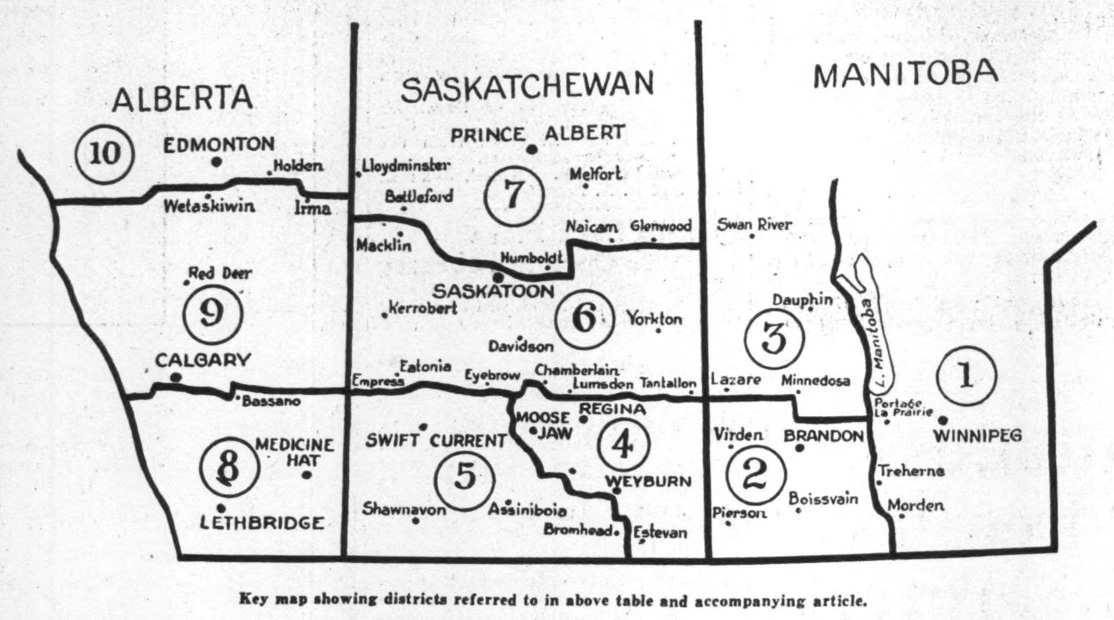
**Per Cent. of Prairie Provinces Wealth to All Canada's**

| Prairie Provinces | | |
|---|---|---|
| Population | 1867 | 1% of all Canada's total. |
| | 1926 | 22% of all Canada's total. |
| Wheat Acreage | 1867 | Less than 1% of Canada's total. |
| | 1926 | 63.5% of all Canada's total. |
| All Grain Acreage | 1867 | Less than 1% of Canada's total. |
| | 1926 | 77.02% of all Canada's total. |
| Livestock | 1867 | Less than 1% of Canada's total. |
| | 1926 | 93.5% of all Canada's total. |
| Manufacturers | 1867 | Less than 1% of Canada's total. |
| | 1926 | 8.1% of all Canada's total. |
| Branch Banks | 1867 | Nil. |
| | 1926 | 24.4% of all Canada's total. |

# Survey Prepared for The Financial Post Analyzes Grain Yields in West

| No. of District and Population | Year | Wheat Acreage | Wheat Average Yield | Wheat Production | Oats Acreage | Oats Average Yield | Oats Production | Barley Acreage | Barley Average Yield | Barley Production |
|---|---|---|---|---|---|---|---|---|---|---|
| Manitoba—1 | 1928 | 782,699 | 15.7 | 12,252,000 | 430,065 | 36.3 | 15,708,000 | 633,809 | 23.4 | 14,831,000 |
| 415,245 | 1927 | 445,493 | 10.7 | 4,781,000 | 389,824 | 16.4 | 6,412,000 | 454,135 | 22.7 | 10,293,000 |
| Manitoba—2 | 1928 | 1,395,909 | 24.1 | 33,667,000 | 616,629 | 42.3 | 26,053,000 | 891,617 | 32.8 | 29,253,000 |
| 109,677 | 1927 | 1,327,812 | 15.2 | 20,162,000 | 707,818 | 14.9 | 10,555,000 | 701,617 | 26.4 | 18,517,000 |
| Manitoba—3 | 1928 | 481,517 | 22.8 | 10,965,000 | 411,407 | 39.2 | 16,108,000 | 411,837 | 30.9 | 12,729,000 |
| 114,134 | 1927 | 422,072 | 13.8 | 5,828,000 | 446,868 | 19.7 | 8,798,000 | 356,705 | 22.1 | 7,901,000 |
| Saskatchewan—4 | 1928 | 2,403,900 | 20.2 | 48,442,000 | 864,866 | 34.2 | 29,579,000 | 658,869 | 32.0 | 21,080,000 |
| 181,967 | 1927 | 2,347,311 | 17.9 | 42,000,000 | 1,022,974 | 16.7 | 17,086,000 | 395,485 | 27.0 | 10,664,000 |
| Saskatchewan—5 | 1928 | 4,153,121 | 28.5 | 118,449,000 | 907,187 | 38.6 | 34,995,000 | 146,893 | 28.1 | 4,131,000 |
| 145,659 | 1927 | 4,060,075 | 20.6 | 83,732,000 | 1,024,289 | 37.5 | 38,399,000 | 107,729 | 28.3 | 3,046,000 |
| Saskatchewan—6 | 1928 | 5,294,104 | 24.6 | 130,200,000 | 1,878,432 | 41.8 | 78,517,000 | 603,309 | 35.7 | 21,553,000 |
| 312,158 | 1927 | 4,726,408 | 19.8 | 93,437,000 | 1,702,561 | 36.2 | 61,651,000 | 276,784 | 29.2 | 8,077,000 |
| Saskatchewan—7 | 1928 | 1,939,729 | 23.5 | 45,500,000 | 708,562 | 32.9 | 23,300,000 | 212,392 | 31.5 | 6,681,000 |
| 175,548 | 1927 | 1,845,485 | 20.5 | 37,830,000 | 662,732 | 42.6 | 28,241,000 | 145,891 | 31.0 | 4,519,000 |
| Alberta—8 | 1928 | 2,024,474 | 26.6 | 53,917,000 | 359,890 | 40.8 | 14,672,000 | 72,515 | 29.9 | 2,168,000 |
| 112,793 | 1927 | 1,765,045 | 28.9 | 50,954,000 | 286,810 | 47.3 | 13,560,000 | 41,710 | 30.2 | 1,258,000 |
| Alberta—9 | 1928 | 3,142,754 | 23.3 | 73,216,000 | 1,114,089 | 38.6 | 43,054,000 | 273,132 | 33.0 | 9,022,000 |
| 263,570 | 1927 | 3,069,337 | 24.9 | 76,464,000 | 1,134,880 | 43.8 | 49,689,000 | 193,554 | 28.6 | 5,527,000 |
| Alberta—10 | 1928 | 1,540,298 | 19.9 | 30,716,000 | 866,284 | 37.0 | 32,019,000 | 199,867 | 34.7 | 6,944,000 |
| 230,239 | 1927 | 1,415,618 | 26.4 | 37,290,000 | 826,310 | 45.9 | 37,922,000 | 164,736 | 33.8 | 5,569,000 |
| Totals | 1928 | 23,158,505 | 24.1 | 557,324,000 | 8,157,411 | 38.5 | 314,005,000 | 4,104,240 | 31.3 | 128,392,000 |
| 22,067,682 | 1927 | 21,424,656 | 21.1 | 452,478,000 | 8,205,066 | 33.2 | 272,318,000 | 2,838,346 | 26.5 | 75,371,000 |

| No. of District and Population | Year | Flax Acreage | Flax Average Yield | Flax Production | Rye Acreage | Rye Average Yield | Rye Production | Principal Grains: Total Principal Grains Acreage | Total Production All Grains, bu. | % Wheat Below 3 Nor. |
|---|---|---|---|---|---|---|---|---|---|---|
| Manitoba—1 | 1928 | 38,440 | 9.0 | 345,000 | 51,430 | 13.0 | 668,000 | 1,936,443 | 43,804,000 | 27% |
| 415,245 | 1927 | 56,044 | 9.4 | 527,000 | 32,446 | 14.2 | 462,000 | 1,377,942 | 22,475,000 | |
| Manitoba—2 | 1928 | 30,570 | 11.2 | 342,000 | 31,619 | 20.3 | 641,000 | 2,966,344 | 89,956,000 | 32% |
| 109,677 | 1927 | 52,104 | 10.2 | 533,000 | 67,297 | 15.8 | 1,064,000 | 2,856,648 | 50,831,000 | |
| Manitoba—3 | 1928 | 12,779 | 11.3 | 145,000 | 37,173 | 21.0 | 779,000 | 1,354,713 | 40,726,000 | 42% |
| 114,134 | 1927 | 14,031 | 10.0 | 140,000 | 36,625 | 18.8 | 687,000 | 1,276,301 | 23,354,000 | |
| Saskatchewan—4 | 1928 | 96,212 | 9.1 | 876,000 | 96,434 | 16.5 | 1,593,000 | 4,120,281 | 101,570,000 | 62% |
| 181,967 | 1927 | 96,207 | 9.8 | 941,000 | 73,704 | 20.6 | 1,520,000 | 3,935,681 | 72,211,000 | |
| Saskatchewan—5 | 1928 | 73,149 | 9.1 | 663,000 | 201,114 | 18.5 | 3,721,000 | 5,481,464 | 161,959,000 | 50% |
| 145,659 | 1927 | 107,411 | 9.8 | 1,049,000 | 144,311 | 20.9 | 3,019,000 | 5,443,815 | 129,245,000 | |
| Saskatchewan—6 | 1928 | 108,390 | 9.5 | 1,032,000 | 132,618 | 18.6 | 2,462,000 | 8,016,853 | 233,764,000 | 65% |
| 312,158 | 1927 | 123,934 | 9.5 | 1,175,000 | 118,013 | 21.2 | 2,497,000 | 6,947,700 | 166,837,000 | |
| Saskatchewan—7 | 1928 | 1,663 | 9.0 | 15,000 | 40,907 | 20.2 | 827,000 | 2,903,253 | 76,323,000 | 60% |
| 175,548 | 1927 | 3,123 | 10.2 | 32,000 | 22,187 | 18.7 | 414,000 | 2,679,418 | 71,036,000 | |
| Alberta—8 | 1928 | 1,018 | 8.8 | 9,000 | 72,401 | 17.8 | 1,285,000 | 2,530,298 | 72,051,000 | 55% |
| 112,793 | 1927 | 4,670 | 10.9 | 51,000 | 74,880 | 23.2 | 1,735,000 | 2,173,115 | 67,558,000 | |
| Alberta—9 | 1928 | 4,753 | 11.2 | 53,000 | 70,629 | 23.6 | 1,668,000 | 4,605,357 | 127,013,000 | 65% |
| 263,570 | 1927 | 7,440 | 9.1 | 68,000 | 57,719 | 18.8 | 1,085,000 | 4,462,930 | 132,833,000 | |
| Alberta—10 | 1928 | 411 | 14.6 | 6,000 | 19,587 | 22.3 | 437,000 | 2,626,447 | 70,122,000 | 72% |
| 230,239 | 1927 | 485 | 10.3 | 5,000 | 23,948 | 12.9 | 310,000 | 2,431,097 | 81,096,000 | |
| Totals | 1928 | 367,385 | 9.5 | 3,486,000 | 753,912 | 18.7 | 14,081,000 | 36,541,453 | 1,017,288,000 | |
| 22,067,682 | 1927 | 465,449 | 9.7 | 4,521,000 | 651,130 | 19.6 | 12,793,000 | 35,584,647 | 817,476,000 | |




Key map showing districts referred to in above table and accompanying article.

# Automobile Industry

## BUILD IN CANADA ENGINES OF CHEVS. FOR HOME MARKET

### Walkerville Plant Will Do Complete Job At Home

Commencing December 1, all engines for Canadian Chevrolet cars will be built in Canada at the Walkerville plant of General Motors, H. A. Brown, vice-president of the company, announced recently. For some time the company have been working to materially increase the Canadian content in the Chevrolet and the motor building plant at Walkerville will make this possible.

The new Chevrolet with its Canadian made motor will, it is understood, be about 90 per cent. Canadian built. Incidentally, it is expected that this will broaden the company's export field and enable it to take advantage of additional preferences.

**Increase Four Times**

Some idea as to the growth of General Motors in the past five years may be judged by the fact that the main plant at Oshawa at that time had a capacity equal to the new Regina plant now rapidly nearing completion, that is about 25,000 cars per year. To day the capacity is in excess of four times that figure. Just recently the Oshawa plant shipped the 100,000th car since January of this year, it is said. Production in 1929 is expected to reach nearly 130,000 units as the schedule of General Motors of Canada calls for a 20 per cent. increase, officials of the company state.

**Nesbitt, Thomson Buy Property**

Nesbitt, Thomson & Company, Ltd., announce that they have purchased from the Bank of Montreal the building at the corner of St. James and St. Peter Streets, Montreal, formerly the head office of the Merchants Bank. It is understood they will take possession May 1, 1929.

## CHRYSLER ADDS TO RECENT PLANS FOR NEW FACTORY

### Program at Walkerville Is Enlarged by $500,000

Further expansion is now being considered by Chrysler officials. In addition to the $1,500,000 unit recently announced, two other such units are being contemplated which will run the expansion programme into nearly half a million dollars more.

These units will be erected at Walkerville on the 70 acres of land recently purchased by the company, in an area lying between Tecumseh Road and the Grand Marais Road, and between Drouillard Road on the east and the Pere Marquette Railway on the west.

**Build Power House**

Plans and specifications for the first $1,500,000 unit are practically complete, it is said, and it is expected that construction will be commenced within two or three weeks. The first unit will be five storeys in height, will possess a floor space of 500,000 square feet, and will cover a ground area of 100 by 1,000 feet. The monitor plant will supply a floor space of 280,000 feet, and will cover an area of 280 by 1,000 feet. There is also a loading dock to be constructed, 450 feet long and 60 feet wide.

Another step in the company's expansion programme, for which arrangements are now being made, is the construction of a power house which will eventually serve the entire three units. The land for this building has been acquired, it is said, and includes an area 173 feet deep by 400 feet long, located west of the Pere Marquette tracks.

The company expects to see the first factory unit completed late in the winter, when the manufacture of Chrysler, De Soto and Plymouth cars and Fargo trucks will be moved from Windsor to the new plant. The old plant will be used for the manufacture of car parts, it is understood.

The increase in manufacturing facilities was made necessary by the demand for the different cars produced by the Chrysler Corporation and on account of the entrance of the company into the light truck field, it is said. Sales from January to the end of September of this year were 30 per cent. greater than for the same period last year. The greatest increase took place, it is stated, between July and September when the new line was introduced.

## Dodge Bros. Shipments 210 Units in October

Shipments of cars and trucks by Dodge Bros. of Canada, Limited, for October, were in the neighborhood of 210 units, an official of the company states. This compares favorably with shipments for the same month last year, it is said.

For the ten months to date, 6174 units have been shipped from the plant at Toronto, as compared with something over 4,000 last year for the same period last year.

The company reports that during October its sales in the West were not up to expectations, due to the frost causing a lower grading of the wheat, with the result that the farmers are not as yet making many comturn they are going to receive for their crops. As soon as they receive their grain cheques the company expects that the Western business will pick up again.

With regard to the possibility of Dodge Bros. being moved to Windsor or Walkerville, considering the expansion of the Chrysler plants, E. P. Clarkson, managing director of Dodge Bros. of Canada, stated that the matter had not been discussed and that there would certainly not be any such move at present.

## A. A. Leys is Appointed Sales Chief for Fargo

Arthur A. Leys, has been appointed director of sales of the Fargo Motor Corporation of Canada.

Mr. Leys, a Canadian, is well known in automotive circles throughout the Dominion and is a member of the Society of Automotive Engineers. He has had many years of experience in commercial car merchandising in many countries, and only recently returned from India, where he was engaged in his specialized field.

## Toronto Plans Building To House Motor Show

Next year the automobile and airplane manufacturers will have a new building at the Canadian National Exhibition in which to display their latest achievements.

The new building will be a million dollar structure and will be situated immediately south of the new Electrical building. It will be two stories and have a floor space of 120,000 square feet. Of this 60,000 will be allotted to automobiles and buses, 35,000 to trucks and 25,000 to accessories. There will also be dining room capacity for 300 people.

"Before we go on with this building we will make certain that the contracts for space will cover the [illegible] obligations" stated Thomas Bradshaw, president of the Canadian National Exhibition.

Final plans for the building are not yet completed. It is proposed to offer a prize of $5,000 for the most suitable design submitted.

## Dominion Envelope Branch for Regina

Dominion Envelope & Cartons has decided to establish a branch at Regina, Sask. The company already operates branches in Manitoba and Alberta as well as in Eastern cities.

The organization includes the following companies: Dominion Envelope and Cartons Limited, the Dominion Boxboards Limited, the Dominion Printing and Carton Co., Edmonton, and the Winnipeg Paper Box Co., the Dominion Envelope and Cartons Western Limited, and the Hitchins Box Co., Winnipeg.


**The Royal Bank of Canada**

DIVIDEND No. 165 AND BONUS

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, also a bonus of two per cent for the year ending November 30, 1928, and that the same will be payable at the bank and its branches on and after Saturday, the first day of December next, to shareholders of record at the close of business on the 31st day of October

By order of the Board.

C. E. NEILL, General Manager

Montreal, Que., October 12, 1928.

**EXECUTIVE**
**OPEN FOR ENGAGEMENT**

University training in Law and Economics. Ten years' executive experience covering financial and general business. Eight years with one organization. Experienced in Sales Management, Factory and Warehouse Building, Handling of Large Staff, Organization and Sound Operation, Buying and General Control. Open for engagement in Canada.

Please address to
Box 261, Financial Post, Toronto

Send "Analysis of Imperial Oil" to:

Name ..........

Address ..........

An ANALYSIS of
**Imperial Oil**

The recent heavy market activity in this stock has again brought Imperial Oil into the limelight. All kinds of questions are going the rounds. Will there be a stock split? Will Imperial Oil offer stock rights on an attractive basis—which it very well could do considering unissued stock is carried on the company's books at $6.25 per share. Is it undervalued —and how high can it go? These and other points are reviewed in an analysis of Imperial Oil with a different slant that should be read by every investor interested in Canada's premier oil security.

*Copies sent free on request.*

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Main 3197*

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*Direct Private Wires to New York and Toronto*

This entire issue having been placed with investors, the advertisement appears as a matter of record only.

*New Issue*

28,000 SHARES

**International Paints (Canada) Limited**

7½% Cumulative, Participating Preferred Stock

The preferred shares are entitled to a cumulative preferential dividend at the rate of $2.25 per share per annum, payable quarterly on dates to be fixed by the Directors. Such dividends will accrue from 15th October, 1928. Whenever, in any fiscal year dividends of $2.25 per share have been paid on the Preferred Shares and on the Class "A" and Class "B" Common Shares, any and all further dividends declared in such a year shall be declared and paid in equal amounts, share for share, on all the Preferred Shares and all the Class "A" and Class "B" Common Shares. The Preferred Shares are preferred as to assets and dividends and upon the liquidation or winding up of the Company the holders thereof are entitled to receive $35 per share, plus accrued dividends, before any payment is made to or any of the assets of the Company are distributed among the holders of any other shares of the Company. The Preferred Shares carry no voting rights, except in respect of any modification or abrogation of the special rights attaching thereto and provided that the Company shall not voluntarily wind-up its busiess or liquidate without the consent of the holders of a least three-fourths of the issued and outstanding preferred shares. The holders of the Preferred Shares, however, are entitled to vote in the event of dividends on such shares being in arrears for a period of two years. Class "A" Common Shares and Class "B" Common Shares rank equally after the Preferred Shares, except as to voting privileges. Class "A" Common Shares carry no voting rights, except in respect of any modification or abrogation of the special rights attaching thereto. Class "B" Common Shares have full voting rights.

Transfer Agent: - - - - - - - - MONTREAL TRUST COMPANY
Registrar: - - - - - - - - NATIONAL TRUST COMPANY LIMITED

CAPITALIZATION

| | Authorized | To be issued |
|---|---|---|
| Preferred Stock, Par Value $30 per share | 28,000 shs. | 28,000 shs. |
| Class "A" (no par value) | 20,860 " | 20,860 " |
| Class "B" (no par value) | 7,140 " | 7,140 " |

The Company has no funded debt and no other securities senior to the Preferred Shares

**Company and Properties.**

International Paints (Canada) Limited, incorporated 1928, has acquired all the undertakings and assets of International Paints (Canada) Limited, incorporated 1924, including all the issued shares of National Varnish Company of Canada, Limited, and has also acquired all the issued shares of The Holland Varnish Company Limited. The Company is one of a group of International Companies, the parent of which is International Paint & Compositions Company, Ltd., of London, England.

The group is one of the largest manufacturers and distributors of marine paints in the world. Last year it supplied about one-third of the world's requirements of ship and bottom paints, and large quantities of paints for industrial and domestic use.

The Holland Varnish Company has a factory at 6700 Park Avenue, Montreal, and has been doing a large business in varnish, paints and enamels since 1910. In addition to this, the Company has its own plant at 189 Basin Street, Montreal. The object of the present financing is to provide funds for the acquisition of the undertaking and assets of International Paints (Canada) Limited, incorporated 1924, and of the shares of The Holland Varnish Company, Limited. It will also furnish the Company with working capital to take care of the steadily increasing demand for the products of the merged Companies.

Plans are now being prepared to enlarge the present plant of The Holland Varnish Company Limited, which the increasing volume of business makes necessary for additional facilities.

International Paints (Canada) Limited, has the exclusive right to manufacture and distribute in the Dominion of Canada "Titanine", "Ti-Two-Dopes" and aeroplane specialties. These materials are used extensively in Canada by all the leading operators and manufacturers of aircrafts.

International Paints (Canada) Limited, has also acquired all the trade marks, patents, formulae and secret processes of International Paint & Compositions Company, Ltd., for use in Canada and Newfoundland, under an agreement which provides that International Paints & Compositions Company, Ltd., shall have the right or option in the event of the liquidation of the Company to repurchase the same upon payment of the amount stipulated in the agreement.

**Assets:**

According to statements prepared by Messrs. P. S. Ross & Sons, Chartered Accountants, as at September 30, 1928, the assets of the Companies to be merged, after giving effect to the present financing, were as follows:—

| | |
|---|---|
| **Current Assets:** | |
| Accounts Receivable, investments, finished materials, raw materials, supplies, less reserves | $371,330.64 |
| **Fixed Assets:** | |
| Real estate, buildings, plant, machinery and equipment at depreciated value, trade marks and formulae | 683,876.31 |
| Total Assets | $1,055,206.95 |
| **Current Liabilities:** | |
| Bills and accounts payable and reserves for Federal and Provincial Taxes | 75,206.95 |
| **Capital Stock and Surplus:** | |
| Representing 28,000 shares Preferred stock, 20,860 shares Class "A" Common stock, and 7,140 shares Class "B" Common stock | 980,000.00 |
| Total Liabilities | $1,055,206.95 |

**Earnings:**

Messrs. P. S. Ross & Sons, Chartered Accountants, certify that the average net income for the past two years of the companies to be merged, after giving effect to the present financing but before providing for depreciation and Federal Taxes was $119,472.87, or about twice the Preferred dividend requirements. The elimination of many items of expense and increased efficiency of the Company made possible by the consolidation should result in a substantial increase in net earnings. The profits for this year show a decided improvement.

**Management:**

Officers of the Company will consist of the following:—

**President:** General J. W. Stewart, Vancouver, B.C., of the Northern Construction Co., Limited and J. W. Stewart Vancouver, and Stewart & MacDonnel, of London, England.

**Vice-President:** Frank M. Ross, Vice-President, Canadian Vickers Limited; President, Montreal Dry Docks Limited; Vice-President, St. John Dry Dock & Shipbuilding Company, Limited; Vice-President, Hamilton Bridge Company Limited.

**Vice-President:** E. J. Coyle, Vancouver, B.C.; Director, Pacific Coyle Navigation Co., Limited; President, British Columbia Marine & Dry Dock Company; Director, Western City Company.

**Managing Director:** L. Laird Gordon, President, Gordon & Belyea Limited, Vancouver, B.C.

The foregoing, together with the following well-known business men will constitute the Board of Directors:—

Sir William Maxwell, K.B.E., Chairman, International Paint & Compositions Company, Ltd., London.

Sir George M. W. MacDonogh, G.B.E., K.C.B., Vice-Chairman, International Paint & Compositions Company, Ltd., London, England.

James Playfair, President, Canadian Vickers Limited; Chairman, Hamilton Bridge Company Limited; President, St. John Dry Dock Company, Limited.

Commander B. L. Johnson, President, Pacific Coyle Navigation Company Limited; Lloyd's Agent, Vancouver.

John C. Newman, President, General Steel Wares Limited; J. S. Mitchell & Co., Limited; Vice-President, Sarnia Bridge Co., Limited; Director, Canadian Vickers Limited.

Capt. Wm. Crawford, Vancouver, President, Empire Stevedoring Co., Limited.

Norman Holland, former President, Holland Varnish Co., Limited.

Hugh N. Baird, Vice-President, National Steel Car Company Limited.

In addition to the officers and directors, the following able and experienced men will continue in the employ of the Company:

John R. Ayers, in charge of railway sales for Canada. Formerly in charge of railway sales for the Holland Varnish Co., Limited.

J. H. Davey, in charge of marine, industrial, aircraft and other sales. Formerly Eastern Manager of International Paints (Canada) Limited.

E. J. Trott, Works Manager.

International Paint & Compositions Company, Ltd., has acquired a substantial interest in the Company through the purchase of a large block of the Preferred shares and Class "B" Common stock.

We are offering these Preferred shares, when, as and if issued and received by us. All legal details have been approved by Messrs. Brown, Montgomery & McMichael and Lafleur, MacDougall, Macfarlane & Barclay.

**PRICE: $33.50 per share and accrued dividend.**

(with each ten (10) shares of Preferred stock, there will be a bonus of 2½ shares Class "A" Common stock. Fractional shares will be adjusted at $15.)

**Williams, Partridge & Rapley, Limited**

*Investment Bankers*

THE ROYAL BANK BUILDING, MONTREAL, P.Q.

Telephone: HArbour 9181

The statements in this advertisement are not guaranteed but are based on information which we believe reliable and on which we acted in purchasing these securities.

**BANK OF MONTREAL**

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter. A BONUS of TWO per cent. has also been declared for the year ending 31st October, 1928, both payable on and after SATURDAY, the FIRST day of DECEMBER next, to Shareholders of record of 31st October, 1928.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on MONDAY, the THIRD DAY OF DECEMBER next.

The Chair to be taken at noon.

By Order of the Board.

FREDERICK WILLIAMS-TAYLOR, General Manager.

Montreal, 19th October, 1928.

**BELDING-CORTICELLI LIMITED**

Dividend No. 56

Notice is hereby given that on the Preference Stock of this Company the Directors have declared a Dividend of 1¾% payable on the 15th day of December to Shareholders of record at the close of business the 30th day of November, 1928.

By order of the Board.

W. P. MacDOUGALL, Secretary.

**WAYAGAMACK PULP & PAPER COMPANY LIMITED**

Dividend No. 15

Notice is hereby given that a Dividend of Seventy-five cents (75c) per share has been declared on the No Par Value Common Stock of the Company, for the quarter ending November 30th, 1928, payable December 1st, 1928, to Shareholders of record at the close of business on November 15th, 1928.

By order of the Board,

D. L. ADAMS, Secretary-Treasurer.

Montreal, Que., October 18, 1928.

**The Canadian Bank of Commerce**

Dividend No. 167

Notice is hereby given that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1928, together with a bonus of one per cent., payable at the Bank and its Branches on and after Saturday, 1st December next, to shareholders of record at the close of business on the 15th day of November, 1928. The transfer books will not be closed.

By order of the Board.

S. H. LOGAN, General Manager.

Toronto, 12th October, 1928.

OFFICE EXECUTIVE AVAILABLE. Extensive experience in Office Management, Manufacturing, Merchandising and Cost Accounting. Is desirous of making connection with progressive corporation. Box 255, The Financial Post, Toronto, Ont.

**Howard Smith Paper Mills Limited**

Incorporated 1928

Dividend Notice on Preferred Stock

NOTICE IS HEREBY GIVEN that a dividend of 1½% on the 6% Preferred Stock of the Howard Smith Paper Mills, Limited, Incorporated 1928, has been declared for the quarter ending the 30th day of November, 1928, payable on the 30th day of November, 1928, to Shareholders of record at the close of business on the 20th day of November, 1928.

BY ORDER OF THE BOARD,

E. HOWARD SMITH JR., Secretary.

Montreal, October 24th, 1928.

**Associated Quality Canners LIMITED**

Dividend Notice

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c.) per share has been declared on the No Par Value Common Stock of the Company for the quarter ending November 30th, 1928, payable December 1st, 1928, to shareholders of record at the close of business on November 15th, 1928, this being at the rate of One Dollar and Fifty Cents ($1.50) per share per annum.

By order of the Board.

JAMES E. WALL, Secretary-Treasurer.

Windsor, Ontario, October 29th, 1928.

*Featuring Leaside and Durant Motors*

SECOND SECTION

# THE FINANCIAL POST

SECOND SECTION

Vol. XXII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 2, 1928 | 10c. a Copy; $5.00 a Year | No. 44

## Growth of Leaside Almost Phenomenal in Years Since War

First Factory Was Equipped for Industrial Production in This Thriving Industrial Community As Recently As 1919

### NOW 20 INDUSTRIES LOCATED IN TOWN

Highways and Railways Provide Excellent Shipping Facilities for Manufactured Products — Most of Area Is Within Three Miles of Centre of City of Toronto

The town of Leaside, Ont., with its splendid location in the heart of industrial Ontario, with its low taxes and land costs, and with its excellent manufacturing and shipping facilities, including water haulage from the Port of Toronto, possesses many advantages and privileges not usually to be found in towns of this size.

There are some 1,050 acres in the tract of land incorporated in 1913 as the Town of Leaside; and possibly the most remarkable feature about the Town's location is the fact that the greater part of its area lies within a three-mile circle of which the centre is the geographical centre of Toronto, the corner of Bloor and Yonge Streets. As a matter of fact, the Town's nearest boundary is less than two miles from this point, and is nearer to the centre of Toronto by nearly three miles than either the western, northern or easterly boundaries of the city proper.

**Metropolitan Privileges**

This means, of course, that the advantages and privileges that Ontario's Metropolis has to offer its people are also easily available to all residing or working within the Town of Leaside; are as a matter of fact, more easily available than to the great bulk of residents of the City of Toronto itself, who are further removed from the recreational, trading and higher educational centres of Toronto than the residents of the Town of Leaside. With the good roads and the transportation system made possible by the Viaduct and newly paved highways, these advantages are becoming more and more apparent and have had a great deal to do with the rapid development of the Town during the past few years.

That this development has been rapid and substantial can best be realized by a close examination of figures regarding the actual growth of the Town since its incorporation a year before the beginning of the Great War. At that time—May 13, 1913—the Town possessed no industry of note and consisted largely of farmlands or vacant acreage. It was nearly a year before the first large industry came; and the buildings of the Town's first industry, the Canada Wire & Cable, were only partially completed, the walls and roof alone being erected, when war broke out in Aug., 1914.

**Munitions First Industry**

Ensued a period of retarded development, when the manufacture of munitions was the only industrial activity in Leaside. The Canada Wire & Cable Co.'s fine new plant was found admirably suited for Imperial Munitions Board shells; and before the war ceased this company had become the largest producer of 6-inch shells on the continent. Later 12-inch shells were manufactured at this plant; but this latter activity was only getting under way when the war ended.

Actually it was in April, 1919, before the Canada Wire & Cable Co. definitely moved its wire and cable business to Leaside, machinery then being installed in accordance with the original plans of 1914 which the war interrupted. During the war period the company had erected additional buildings and heavy equipment; and the additional buildings and plant were sold to the Durant Motors of Canada, thus bringing the second large industry to Leaside.

**Nine Years' Development**

Since that time—a brief nine years ago—nearly a score additional industries have established in Town, this industrial development being aided by the railways, both the Canadian Pacific and Canadian National running through the Town. The Canadian Pacific trains bound for eastern Canada make a regular practice of stopping at Leaside station for passengers both week days and Sundays; and this cuts off a considerable journey into downtown Toronto for residents of the north end of Toronto, Leaside and district.

The Canadian National Railways have also played a prominent part in the industrial expansion of the town, their extensive holdings of land on their right of way providing excellent sites for factories, several of which have recently been established in this area. The splendid freight service of both railways, is of course, a big factor in the town's development.

To-day there are more than twenty substantial factories located in Leaside, employing some 2,000 workers, with annual production running into many millions of dollars, and monthly payroll running well into six figures.

It is estimated that there is invested in Leaside manufacturing plants to-day close to $10,000,000; which compares with actual valuation of the entire property enclosed by the town's boundaries less than fifteen years ago of less than a fifth of this sum.

**Good Transportation**

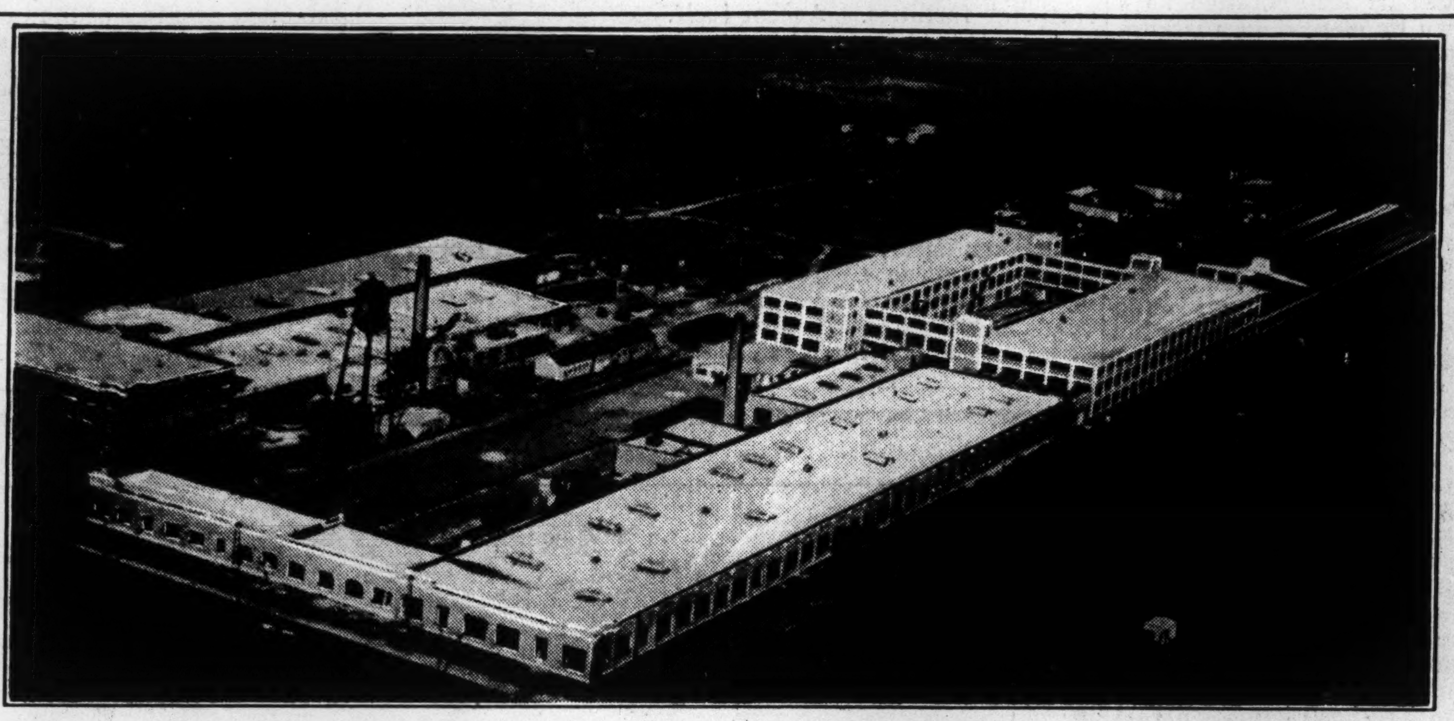
Apart from the financial and production strength of the big industries in Leaside—notably Canada Wire & Cable and Durant Motors—probably the next biggest factor in the town's most recent development is the improved transportation now available since the opening of the Viaduct and the improvement of the town's highways. In the early days access to the town was somewhat of a problem, the natural barrier of ravines and gullies standing in the way of highway development, except from Yonge Street, where residential development had not yet made advisable extensive roadway development in this direction. Consequently, it was necessary for the first industry to establish in the town, the Canada Wire & Cable Co., to provide most of the highway and public utility facilities; and this company spent substantial sums of their own money on highways, watermains, sewers and power lines from which the town benefits to-day. Even the early transportation system by busline was organized and subsidized by this company, in order to provide transportation for workers in the town.

To-day all this is changed; and the town is now in possession of excellent highways and all facilities. The town owns more than five miles of sewer mains, seven miles of city water mains, 20,000 feet of wide permanent pavement; electric lighting services are fully adequate, Consumers Gas Co. mains provide gas for domestic and industrial use, while the telephone service is available in all parts of the town.

Because of the opening of the million-dollar viaduct a year ago, access to all parts of Leaside is now just as easy as to any part of Toronto within the three-mile circle

(Continued on page 16)

### Some of Leaside's Industries



This aerial photograph shows complete view of Durant Motors plant in foreground and to right of picture. A portion of the plant of Canada Wire & Cable Co. is the higher buildings towards the left and centre, and the airport is seen in the background.

## Many Advantages Offered by Leaside to Manufacturers

Plenty of Choice Factory Sites Available On Railways

### CHEAP ELECTRICITY

Nearness to Toronto Means Practically Metropolitan Service of All Kinds

By the same token that induced the City of Toronto to select a tract of land in Leaside as the most convenient and nearest acreage available for its official airport, manufacturers seeking to establish plants at the most strategical points in Ontario will find that Leaside offers many advantages well worth considering.

First of all, of course, is the tremendous advantage of lying within the environs of Toronto. Actually, the manufacturer locating here is nearer water haulage than a great number of the industries located within Toronto's precincts. This in itself is of great importance, both from the standpoint of distribution by water of the finished product and securing the bulkier raw materials that are usually shipped by water. Similarly, consignments of bulky materials to terminal warehouses in Toronto are just as easily available to town manufacturers as to the factories located in the higher-taxed city areas.

**Fast Freight Service**

But the rail facilities within the town are of equally great importance. Both the Canadian National and Canadian Pacific railways serve the town, the former having large sidings and industrial sites in the heart of the manufacturing district. The construction of the Gatineau hydro power substation at Leaside is evidence of the freight facilities in the town, for much of the machinery and equipment for the substation had to be brought on specially constructed cars built to take care of the great weight and bulkiness of this equipment. This freight detail was handled with ease and despatch, enabling the equipment of the substation to go forward without a hitch.

**Choice Industrial Sites**

Industrial sites on international railway lines solve the distribution problem for the manufacturer. The C.N.R. has disposed of several good sites alongside its right of way during the past few months, but there are still several good sites available, and the company's machine shops—containing heavy crane equipment—can also be purchased by manufacturers requiring this kind of equipment.

To the north of the town lies quite an extensive tract of land suitable for factory sites, owned by the York Land Co., whose selling agents are Wood, Fleming & Co., of Toronto. Almost any size block up to a hundred acres or more can be secured at this location, which is immediately adjoining to the flying field.

Incidentally there should be no lack of power in the town, with the Gatineau power substation located right at its front door. While this power is intended primarily for wide distribution over Ontario, and may not be delivered to Leaside at all, its presence is a tangible evidence of the ample supply of power available for manufacturers in Ontario.

**Plenty of Cheap Power**

Leaside is amply supplied with electricity both for power and lighting purposes. The actual power supply used in the town is received via the Toronto Hydro, through an agreement with the town. This seems the logical method of distribution, as the city distribution lines extend on two sides for miles beyond the town limits. The linking up with Toronto Hydro not only assures a steady supply of power for both manufacturing and domestic purposes, but also economical handling and distribution of the current.

Gas for both domestic and manufacturing uses is also available in ample quantity. The source of the supply is the Consumers' Gas Co. of Toronto, whose mains have been laid over a considerable area of the town and are supplying most of the inhabitants with gas. Under present contract, as the town's needs for gas increase, additional mains will be built.

**T. T. C. Service**

Transportation, a vexed problem in the old war days, has now been solved by a tie-up with the Toronto Transportation Commission. The latter operates a regular bus service through the main streets of the town, connecting with Yonge Street and also the Danforth district of Toronto. Street-car allowance has been reserved in the paving of certain of the town's streets, and, when traffic justifies same, it is the intention of the Commission to eventually replace a part of the bus service with street-cars. At any rate, whether by buses or rails, Leaside is now assured of an adequate trans-

(Continued on page 16)

### Leaside Has Never Had Land Tax Sale

Since the incorporation of the town more than fifteen years ago there has been no land tax sale in Leaside, Ontario. Only once in the decade and a half did taxes on any single piece of property in the municipality remain unpaid for more than two years; and this was last year when arrears on two small lots approached the three-year limit. But even these two lots did not go on a land tax sale as they were both paid up within the allotted time, although one of them was owned by an estate then in probate.

## TOWN OF LEASIDE IS REGULAR HIVE OF BUSY INDUSTRY

Nationally Known Products Manufactured in Score of Plants

In the short time that has elapsed since improvements made the town accessible, more than a score of substantial industries have established at Leaside. The two largest of these are, of course, Durant Motors and Canada Wire and Cable Co. Both of these companies are known all over Canada; but the last named, Canada Wire & Cable Co., is the pioneer industry of Leaside, and has been largely responsible for the early development of the town. The company's vice-president, Herbert Horsfall, has been Mayor of Leaside for several years, and has been largely responsible for the progressive town policy that has resulted in the establishment of numerous industries in the town.

In the early days Canada Wire spent a good deal of its own money in laying down necessary improvements, and materially assisted incoming manufacturers to secure power and other utilities essential to their business.

In addition to the two large industries mentioned above, there are also located at Leaside the C.N.R. shops and yards, C.P.R. station and yards, Canada Varnish Co., Henderson Coal Co., Leaside Cut Stone Co., Supreme Oil Co., Stucco Products Co., A. A. Johnstone Coal Co., Leaside Brick and Plaster Co., Leaside Transportation Co., and several other industries.

## PLENTY OF LAND FOR HOME SITES IN FINE DISTRICTS

Suitable Restrictions Making Leaside's Residential Districts

For both the working man employed in the factories of Leaside and Northeastern Toronto, and for the monied man desiring plenty of ground in a choice location, Leaside offers many attractions for the prospective home-builder. In the well-restricted area adjoining the factory district, homesites can be purchased at very reasonable prices, and the presence in the vicinity of building, cement block, and stucco products manufacturers and other building supply houses, makes for fairly low construction costs.

Comparative inaccessibility of the district was probably the one thing which held things back in the early years at Leaside, as there were few good roadways and the natural barrier of ravines had not yet been overcome. The building of the Viaduct, opened a year ago, and the fine new roads the town has built during the past couple of years, have completely changed the situation, and a resultant influx of population and the rapid development of the residential areas of the town are now looked for.

For the more exclusive type of residence, there is a large tract of land lying generally to the north, which has been referred to as "Millionaire's Row." This area adjoins the beautiful 172-acre Sunnybrook Park recently given to Toronto, which is also available to the residents of Leaside equally with the citizens of Toronto.

In this area lying to the northeast of Leaside there will shortly be erected a beautiful residence for J. H. Gundy, Toronto financier. The grounds enclosing this residence are stated to comprise some fifty acres; and while no figures are available regarding the cost of the residence, or the style of architecture, it is stated that it will be one of the handsomest in the Toronto area.

## Substantial Gains in All Departments of Durant Motors

Production and Sales for Nine Months Rise 36%

### CASH POSITION GOOD

Some 69 Per Cent. Increase in Cash Over Last Year is Shown

The year 1928, according to all present indications, will establish a new high record for Durant Motors of Canada. Returns from all departments of the company's business show that gains of quite a substantial character were made all along the line; and as there only remain the two quiet months of motordom to complete the current fiscal year, there does not seem to be the remotest chance that the twelve months will not show gains of quite an unprecedented character.

**Big Production Gains**

Last year was the big year in the company's history, when the company was able to make a very satisfactory profit, placing the shares on a dividend basis and further improving its cash position. Yet this was accomplished with only a modest increase in production, the actual units made during the first nine months of 1927 being only three per cent. above production in same period of 1926. This year during the same period — nine months ended September 30th last — increase in production amounted to 35.75 per cent. over same period last year.

This does not mean, of course, that the company's profit increased at this rate; but it probably does mean very satisfactory profits achieved in a year when many raw materials cost more and margin of profit in the automobile trade has been generally lower. In Durant's case the cost per car unit has been quite substantially higher than last year, due in large part to the additional features built into this year's cars. Some twenty-five to thirty new features have been quietly added to this year's cars; and as some of these, such as four-wheel brakes and certain other mechanical contrivances, have cost several dollars apiece, the total cost per unit of production has considerably advanced, though the price to the purchaser has not been increased. Thus a costlier product has gone forth from the plant this year, but without the Durant motor

(Continued on page 19)

### Payroll Exceeds Million a Year

Durant Motors of Canada employ the year around in the neighborhood of 800 men and women, the growth of the export business in recent years reducing to a minimum the idle periods formerly found necessary in the motor industry. The company's annual payroll is well over $1,000,000 per year.

## The Town of Leaside

*Offers to Industries*

**CHOICE FACTORY SITES—**
Considerable acreage is immediately available including substantial brick buildings on railway sidings.

**LOW INITIAL COSTS—**
Land costs for either factories or homesites are remarkably low.

**PLENTY OF CHEAP POWER—**
Excellent supply of hydro-electric power, under arrangement with Toronto Hydro, whose wires encircle Leaside.

**EVERY SHIPPING FACILITY—**
The two international railways, fine paved highways, and nearness to Toronto Harbor provide excellent shipping facilities by all carriers.

**PARTICULARLY LOW TAXES—**
The Town invites comparison with ALL OTHER industrial communities both great and small.

**FULL METROPOLITAN PRIVILEGES—**
Leaside's boundaries lie within the two-mile circle whose centre is Bloor and Yonge Streets, Toronto.

**MODERN AIR TRANSPORT—**
Commercial and advertising flying easily arranged from the Leaside Flying Field, which is also mail service terminus.

**ALL CITY CONVENIENCES—**
Permanent roads and sidewalks, city water and sewage disposal, telephones, gas, electricity, transportation, school, parks, recreation centres.

**REDUCED OVERHEAD CHARGES—**
Low taxes, cheap power, reduced investment in buildings and land and plenty of labor — all these factors make for economical production in Leaside.

*Investigate Leaside Before Establishing That New Factory*

For further information write to A. T. Lawson, C.A., Clerk-Treasurer
Leaside Post Office, Leaside, Ontario

# AIR TRANSPORT CO. FLYING CENTRE IS AT LEASIDE FIELD

## National Air Transport Busy Promoting Commercial Flying

The National Air Transport, Limited, was founded a few months ago by a group of prominent Toronto airmen for the purpose of promoting commercial flying in Canada. During the short period of its existence to date it has made some notable flights, including the carrying of the mails during the Exhibition to Windsor and return, and also the Montreal mails upon two occasions. Commercial assignments successfully carried out include trips to Brantford, Welland, Guelph, Kitchener, Stratford, St. Marys, London, St. Thomas, Tillsonburg, Woodstock, Owen Sound, Barrie, Collingwood, Windsor, Cleveland, Buffalo, Montreal, Ottawa and St. Catharines.

During the Canadian National Exhibition in Toronto this year, National Air Transport broadcast each day from the air the chief features of the following day's programme and also a report upon the current day's activities. Several advertising assignments were also undertaken, and the programme regarding the visiting American airmen from Selfridge Field broadcast in detail.

**Good Passenger Trade**

The National Air Transport is said to be the only organization of its kind undertaking as yet in Canada special commercial and advertising work as well as the carrying of passengers.

The latter phase of the company's business to date has been quite good. The company owns and operates two cabin Buhls and one Moth. One of the Buhl planes is an air-sedan and the other what is known as the Buhl Special. Investment in the three planes is placed at $45,525, and the number of passengers taken cn short flights from the flying field at Leaside, as well as the longer commercial flights, is stated to have resulted in satisfactory income to date.

As a matter of fact, crowds of many hundreds of persons have almost daily assembled at Leaside to watch the planes go up and, on some days, advance bookings for flights have exceeded the capacity of the company's equipment.

**Earl Hand is President**

The company is under the management of the following board of directors: Capt. Earl McN. Hand, D.F.C., president and managing director; Austin Campbell, vice-president; J. D. A. McDonald, secretary-treasurer; J. J. Noad, J. G. Crang, A.F.C.; Lt.-Col. Victor Sifton, S. Warrington, and Herbert Parker.

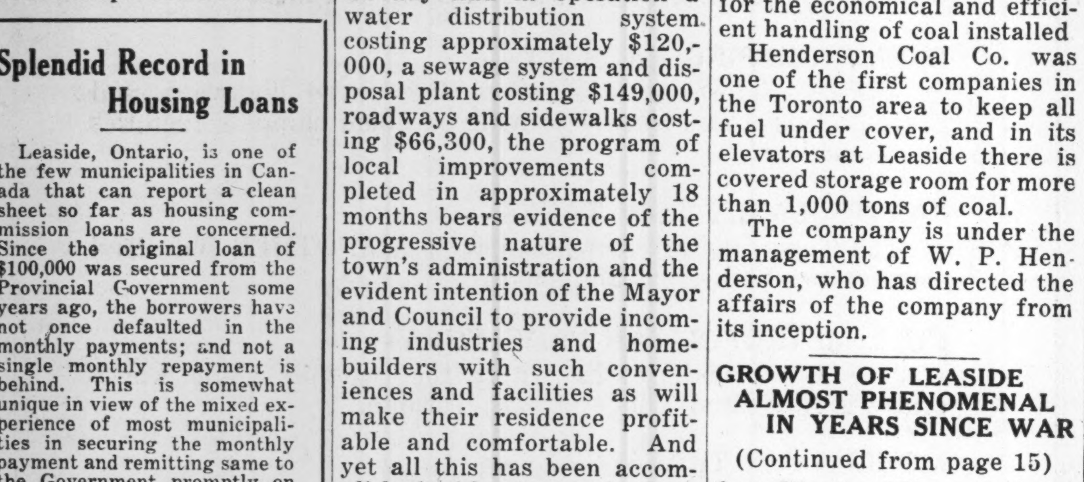
In common with the Toronto Flying Club and the mail service planes, National Air Transport uses the official Toronto Airport at Leaside.

## Splendid Record in Housing Loans

Leaside, Ontario, is one of the few municipalities in Canada that can report a clean sheet so far as housing commission loans are concerned. Since the original loan of $100,000 was secured from the Provincial Government some years ago, the borrowers have not once defaulted in the monthly payments; and not a single monthly repayment is behind. This is somewhat unique in view of the mixed experience of most municipalities in securing the monthly payment and remitting same to the Government promptly on due date; and is indicative of the general prosperity of the town and its reputation for integrity.

Out of the original principal sum of $100,000 more than $30,000 or nearly one-third of the loan has been repaid as well as interest payments regularly maintained.

## Buhl Airsedan at Leaside




This is one of planes used at Leaside for passenger and commercial flights.

**Mayor of Leaside**

HERBERT H. HORSFALL,
vice-president of Canada Wire & Cable Co., and mayor of Leaside.

# TOWN OF LEASIDE IS NOT LACKING IN IMPROVEMENTS

## Local Improvements Based Upon Scientific Survey of Town

Judging from the large program of local improvements carried out by the Town of Leaside during the past eighteen months and further improvements at present contemplated, the administration of the town is determined that nothing will stand in the way of the wave of progress now in full swing. A thorough examination of the town's rural districts has been made by the Town Engineer at the instance of Mayor Horsfall; and based upon an analysis of traffic, factory and home-building requirements, a progressive policy of local improvements has been set down.

The results to date are gratifying. In 1927 and 1928 to date, there have been completed local improvements costing $210,000, in addition to the town's contribution of $200,000 to the viaduct. The concrete roadway on Millwood Avenue cost some $90,000. It leads directly to the viaduct and enables the town to take full advantage of the new highway to the City opened up by the viaduct. Incidentally this improvement—the new pavement and the viaduct—means that eastern Ontario is now linked up by a direct highway right into the heart of Leaside; in fact, the centre of Leaside is now closer by road to most of eastern Ontario than the greater part of Toronto itself.

**Every Facility**

Laird Drive concrete roadway was also built during the past few months, at a cost of $35,000. Sidewalks laid during this period cost more than $10,000. And water mains and sewers, pretty well rounding out the service in the municipality, were laid at a cost of $75,000.

Considering that the town already had in operation a water distribution system costing approximately $120,000, a sewage system and disposal plant costing $149,000, roadways and sidewalks costing $66,300, the program of local improvements completed in approximately 18 months bears evidence of the progressive nature of the town's administration and the evident intention of the Mayor and Council to provide incoming industries and home-builders with such conveniences and facilities as will make their residence profitable and comfortable. And yet all this has been accomplished without an undue burden of taxation being imposed upon the ratepayers; and a fine school has been erected and many other improvements effected prior to the 18 months mentioned above as the greatest period of local improvement activity.

# LEASIDE'S GROWTH VERY LARGELY DUE TO ACTIVE POLICIES

## York Land Co. and Wood, Fleming Assisted Town

The organization of Leaside as a separate corporation precedes its incorporation as a town by more than a twelvemonth. It was early in 1912 that certain financial interests cast their eyes in this direction, and the result was the purchase of a thousand acres of land which subsequently became Leaside. The owners of this land incorporated in 1912 under the name of the York Land Co., and a year later a charter was secured incorporating this area as the Town of Leaside.

Early plans called for the establishing of a railway centre at Leaside, and the C. N. R. were induced to build shops there and make it a divisional point. During the years 1912, 1913, and part of 1914, there was considerable real estate activity, but the war ended this. Then the town was known for its manufacturing of munitions and its military airport, and later, in the reconstruction period, there was a considerable period of quietude and inactivity, except on the part of the two major industries, Canada Wire, the pioneer industry, and Durant Motors which became active later.

In 1924 the York Land Company, Limited, who were still the owners of the bulk of the property, appointed Wood, Fleming & Company, Limited, Toronto, as their exclusive agents to deal with the property, and ways and means were promptly considered for its development. After thorough consideration, it was determined that a viaduct leading from Pape Avenue to a point in Leaside, near the C. P. R. station, should be built. Numerous conferences were held with interested parties, who finally were able to agree to build the viaduct. When eventually its cost was settled, it was found that the sums of money available were not adequate. At this juncture the York Land Co., Ltd., upon representations by Wood, Fleming & Co., Ltd., donated the sum of $150,000 in cash to assure the construction of the viaduct in a proper manner.

# HENDERSON COAL HAS LARGE PLANT IN LEASIDE TOWN

## Considerable Expansion of Business in Brief Two Years

Henderson Coal Co. located in Leaside a little more than two years ago, and since that time has considerably expanded its business. A modern coal-handling plant has recently been completed for the company, and every facility for the economical and efficient handling of coal installed.

Henderson Coal Co. was one of the first companies in the Toronto area to keep all fuel under cover, and in its elevators at Leaside there is covered storage room for more than 1,000 tons of coal.

The company is under the management of W. P. Henderson, who has directed the affairs of the company from its inception.

## GROWTH OF LEASIDE ALMOST PHENOMENAL IN YEARS SINCE WAR

(Continued from page 15)

from Bloor and Yonge Streets. The town is only six minutes motor drive from St. Clair and Yonge Streets, and sixteen minutes drive from downtown Toronto at Queen and Yonge Streets. T.T.C. buses provide a service through the town; and the railways provide a good passenger service on through trains, as well as an excellent shipping service to all parts of Canada.

Education has not been neglected; and the town's public school, built two years ago at a cost of $68,000, is thoroughly modern in every respect. Equipment of the school includes supervised playgrounds, tennis courts, bowling greens and other recreational facilities. Accommodation for high school students has also been arranged by the town; and no stone has been left unturned to assure of thoroughly sound educational facilities for the children of the town.

Religious matters are also well taken care of, there being an Anglican Church located in Leaside for several years, as well as church properties owned by the United Church and the Roman Catholics.

In short, all the necessary adjuncts of comfortable living are provided for the people of Leaside, including church, school, and recreational facilities. In the latter case there are also the various big activities of the City of Toronto, as easily available to the citizens of Leaside as to the residents of Toronto itself.

All conveniences for the erection of homes or factories are available in Leaside. Highways, sidewalks, sewers, water mains, electric, gas, transportation, schools, churches, —all the essentials of comfortable existence in any community, plus all the recreational and cultural facilities of the City of Toronto, which spreads out around the town,—all these facilities make for the rapid development of a community which has shown tremendous growth since the coming of these improvements. The viaduct is regarded by many as beginning a period of new industrial and residential expansion for the town; and it is generally expected that the next couple of years will show a still greater growth in all directions than even the satisfactory progress of the town in the past half dozen years would indicate.

## MANY ADVANTAGES OFFERED BY LEASIDE TO MANUFACTURERS

(Continued from page 15)

portation system to all parts of Toronto.

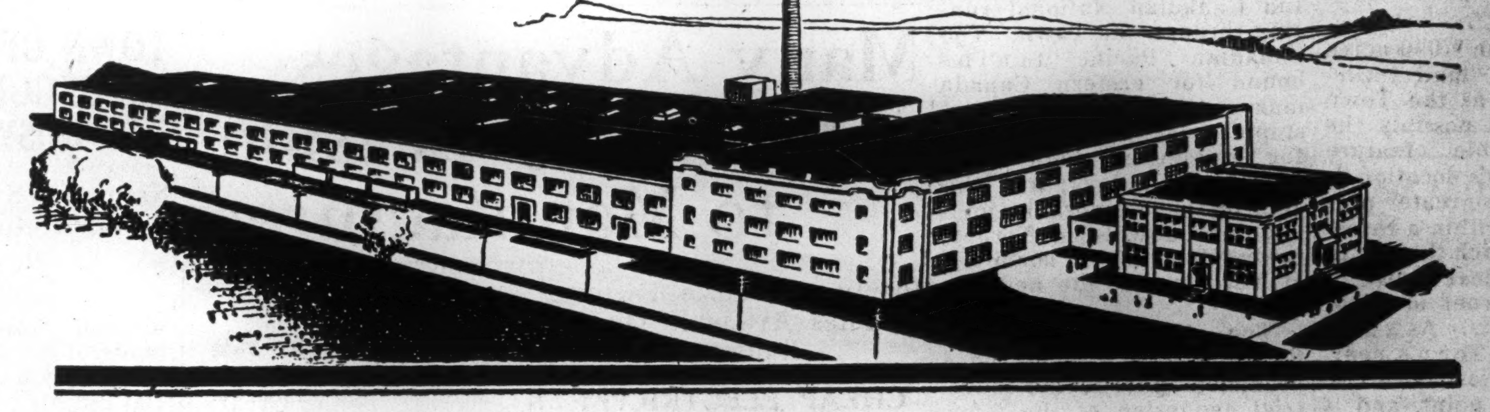
In so far as water supply is concerned, manufacturers need have no fear, for this supply comes directly from the City of Toronto system into the seven miles of water mains installed by the town. There is good pressure at all times, fully adequate for all needs, ordinary and extraordinary, and including fire protection.

Similarly, sewage disposal is fully provided, the trunk lines being of sufficient calibre to take care of future needs of the town, with plenty of laterals and outlets from same.

The fuel situation in the town is particularly good, with several fuel companies receiving their supplies from off-tracks in Leaside. This means that both hard and soft coals for either heating or auxiliary power purposes, can be purchased reasonably at all times.

One factor that should not be overlooked is the establishment recently of the air-mail service at Leaside. As this service develops, it should prove of considerable advantage in the case of rush orders and their express delivery, as well as indirectly bringing much business to Leaside.

Viewed from all angles, therefore—contiguity to the greatest consumer and distribution market in Canada, viz, the City of Toronto; plenitude of power, fast international freight connections, factory sites on right of ways, water, gas, highways, transportation, low taxes and reasonable labor market—the Town of Leaside offers numerous advantages to manufacturers contemplating establishing branch plants or the erection of new factories in profitable manufacturing centres.

# CANADA WIRE & CABLE COMPANY LIMITED

***Manufacturers of***

Bare and Weatherproof Copper Line Wire
Trolley Wire Feeder Cable
Span Wire and Guy Strand for Electric Railways
Aluminum Transmission Strand — Plain or Steel Reinforced
Copper Clad Wire and Strand
Brass Wire
Telephone Wire — Bare and Insulated
Magnet Wire in Round, Square and Rectangular — Bare, Cotton Covered and Enamelled
Rubber Covered Wire and Cable, in all voltages to National Electric Code and Canadian Electric Code Standards
Varnished Cambric Cable for all voltages
Flexible and Portable Cords of all kinds to National Electric Code and Canadian Electric Code Standards
Automobile Cables of all kinds
Galvanized Guy Strand "Dead Lay" Guy Strand
Steel Wire Rope for all purposes

**We have supplied cable for the transmission lines of practically every power company and power commission operating in the Dominion of Canada; steel wire rope to most of the larger mines and for a number of Canada's suspension bridges.**

**Head Office and Factories:**

**LEASIDE (TORONTO) ONTARIO**

**Warehouses at:**

**VANCOUVER CALGARY REGINA WINNIPEG MONTREAL QUEBEC**

# LEASIDE PRESENTS STORY OF ITS INDUSTRIAL OPPORTUNITIES

## RAILWAY SITES MAGNET DRAWING NEW INDUSTRIES

### Eight New Industries Buy C.N.R. Land at Leaside

The Canadian National Railways and its predecessor company, the C. N. O. R., have played a considerable part in the industrial development of Leaside. Realizing the strategic location of this nearest-Toronto acreage, the old C. N. O. R., back in 1919, purchased some 100 acres of land alongside their tracks. Upon this site the railway established a terminal involving storage of supplies, motive power and car equipment, repairs to and rebuilding of locomotives and freight and passenger car equipment. Several large buildings were erected and equipped with heavy machinery. The buildings included a 12-stall engine or round-house 110 by 200 feet in size, a car repair shop 140 by 280 feet, a locomotive or machine shop 150 by 300 feet, power and boiler house, three-story office and stores building, fire station and other buildings, which covered approximately 3½ acres of land immediately adjoining trackage.

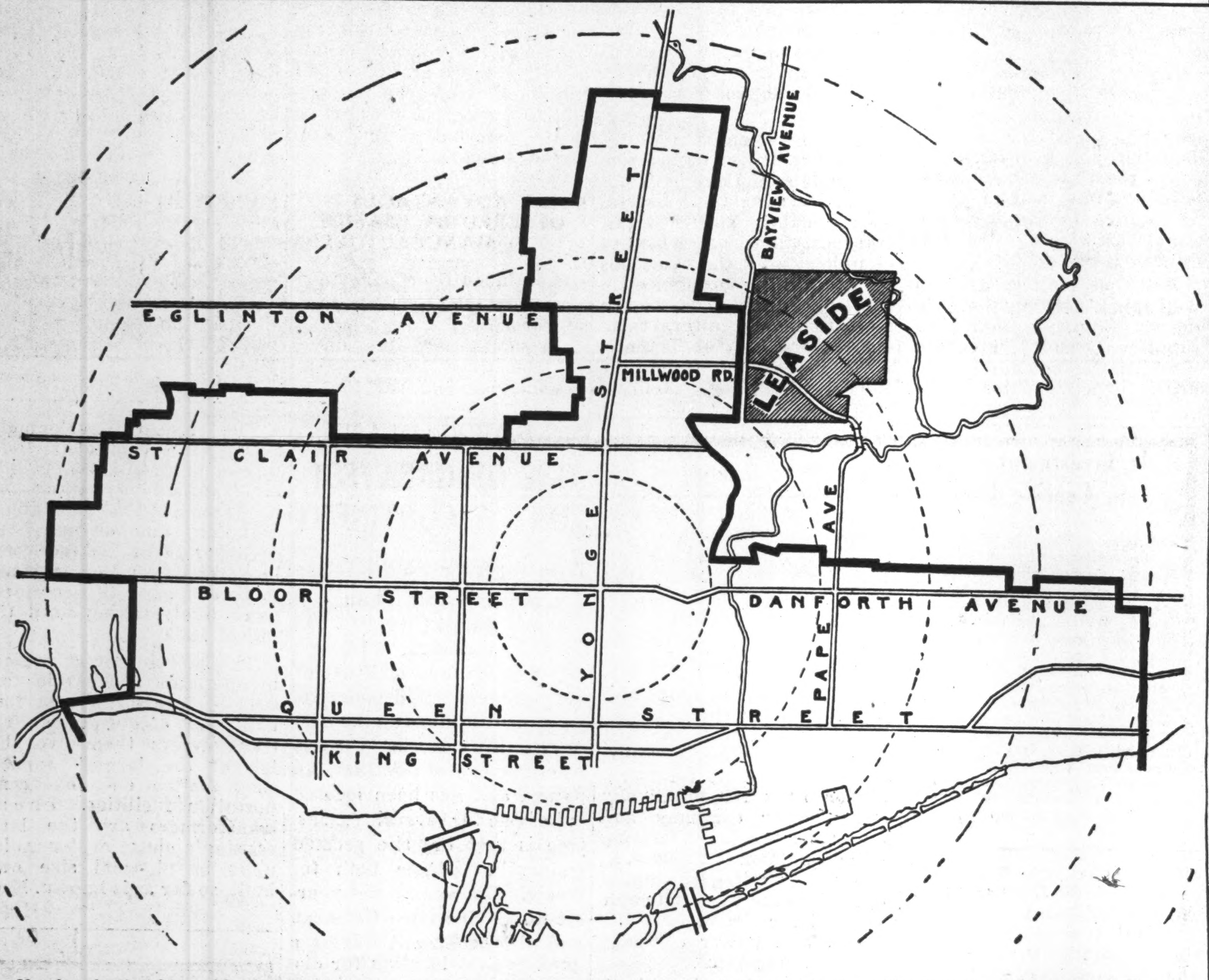
All these buildings and around 65 acres of land remaining unsold are now being offered by the railway for industrial purposes. The buildings themselves are particularly well suited for heavy manufacturing, as some of them are equipped with heavy overhead traveling cranes and heavy hoisting equipment that is also for sale.

**Industrial Opportunity**

What is known as the industrial subdivision of the Leaside district was created early this year for the purpose of interesting manufacturers seeking industrial sites, and to date some eight new industries have located upon this land. These include several fuel companies, a block and tile company and an oil company.

Present plans of the C.N.R. call for the settlement of the additional 65 acres available at an early date, and all signs point to an early industrial development around the railway yards quickly using up the space still open for industrial occupation. The big thing is, of course, the suitability of this land and buildings for both light and heavy manufacturing purposes, and also the fact that there is an excellent fast freight service in Leaside from both railways, as well as good passenger service daily and Sundays.

## Leaside Nearer to Toronto's Heart Than Some Parts of City




Map shows location of town of Leaside with reference to city of Toronto. Circles are at distances of one mile. Most of Leaside is within three miles of Bloor and Yonge Street.

## MANY BUILDINGS BUILT IN LEASIDE IN PAST SIX YEARS

### Assessment Figures Show Very Great Growth in That Time

Examination of the assessment rolls of the Town of Leaside give some indication of the progress of the municipality during the past eight or nine years since the close of the Great War and the readjustment of the town's industries from the munitions' and war basis to a peacetime industrial operation. In 1919, buildings in Leaside were assessed at $33,125. Four years later the figure was $49,700, and in the next five years the gain was still greater, jumping to $84,625. Business assessment in the nine-year period increased from $1,804 to $8,688, and the value of the total 1,025 acres of land in the town increased from $1,001,540 to $1,559,500.

**Low Assessment**

These figures in themselves do not represent anything like the actual valuation of the town's properties, the parcel of houses erected some years ago by the Housing Commission itself representing an expenditure in buildings more than double the assessment of buildings at that time, though the houses represented only a small part of the buildings erected compared with the big investment in factories. The last financial statement of the Durant Motors shows fixed assets before depreciation valued at more than one hundred thousand dollars greater than the assessment of the whole town for the same year!

Roughly estimated, it is probable that the assessment figures represent from 10 to 15 per cent. of actual valuation of property in the town, bringing the total value of improved and vacant property in Leaside up to more than $10,000,000, against a total 1928 assessment roll of $1,652,813.

**Low Tax Rates**

This low assessment is one of the reasons for the low taxes paid by the residents of Leaside, and the 1928 mill rate of 40 mills on assessed values really represents a very small levy on actual cost valuation of the property.

That taxes are remarkably low in the town is shown by examination of concrete examples and comparison with similar parcels of property elsewhere located. As compared with the City of Toronto, taxes are, of course, very low. On a comfortable, six-roomed, brick house, with roomy piece of land, located in the town's residential section where moderate restrictions are in force and all improvements are in, the average tax is probably $50 a year. Taxes on similar property in Toronto are easily double this amount, in some cases running considerably more than 100 per cent. above the Leaside tax, and in view of the improvements recently made available in the town and the ease of access to all parts of Ontario made possible by the Viaduct and other new facilities, the low tax rate is bound to prove a big factor in Leaside's development.

## AFFAIRS OF TOWN ARE ADMINISTERED BY COUNCIL OF 8

### Group of Prominent Business Men Are Governing Body

The affairs of the Town of Leaside are administered by a mayor and council elected annually, the council for the current year being composed of the following: Herbert H. Horsfall, mayor; James Lea, reeve; G. H. Wilkinson, J. W. Dorkin, J. J. Perrem, J. A. Woodard, A. A. Johnson, and A. E. Stuart.

Mr. Horsfall, who is vice-president of the Canada Wire & Cable Co., Leaside, has been mayor of Leaside for the best part of five years, during which time he has had a great deal to do with the progressive policy of administration that has brought the town into the limelight. In this work he has been ably assisted by several of the councillors and the permanent officials of the town.

Dr. H. A. Elliot, of Toronto, is the medical health officer of the town, and D. J. Bell, of Leaside, town engineer and building inspector. A. T. Lawson, chartered accountant, is clerk and treasurer of the municipality.

## LEASIDE AIRPORT SEES FINE FLYING BY TORONTO CLUB

### Record Number of Flights and Hours in Air for Dominion

The Toronto Flying Club, organized just a year ago this month, has done an excellent bit of work for flying during the short time it has been in the air. Originally organized by a small group of men interested in promoting aviation, this nucleus soon expanded into a club of substantial proportions, until to-day there is an active membership of 240 persons.

The Club is under the patronage of Col. Sir Charles C. Wakefield, Bart., C.B.E.; and honorary life members include General Draper, Mayor McBride, Capt. C. Browne, Prof. J. H. Parkin and W. J. E. Johnston. Sir Joseph Flavelle, E. R. Wood, A. E. Ames and G. H. Wood are the guarantors for the Club upon the government bond which made possible the gift of the two government planes.

The Club possesses four moth planes. The first plane that enabled the Club to early get into the air, was the gift of Sir Charles C. Wakefield. The government supplied two planes and the club purchased an additional plane, early bringing their equipment up to the present strength. There is a good hangar at their flying field at Leaside, where is also located the Club's official headquarters.

**Instruction in Flying**

The work of the Club is restricted to instruction in flying and the actual flying activities of its members, including flights of its members in the capacity of passengers. Since May 1 of this year, when the Club officially took to the air, there have been some 2,218 flights involving 1,001.38 hours in the air and including 1,580 passengers taken up. These figures are only up to Oct. 14, and they are stated to establish a notable record among Canadian clubs. Out of town flights taken by members of the Club include trips to Granby, Que., Montreal, Ottawa, Hamilton, St. Catharines, London and Windsor.

The Club's flying field at Leaside occupies approximately 200 acres of dry level land, admirably suited for this purpose. At this field some 95 members of the Club have received flying instruction during the past six months, 33 have gone solo, 10 commercial flying licenses have been issued, two private pilot's licenses, and there are now 12 candidates awaiting government test for their licenses.

**Valuable Equipment**

The chief instructor of flying is R. Carter Guest, who is assisted by Edward C. Burton. Both are former war pilots well trained in instructional work.

The Club itself is governed by an executive committee made up of the following: Lt.-Col. Victor Sifton, D.S.O., hon. president; Capt. Earl McN. Hand, D.F.C., president; Capt. A. H. Munday, vice-president; Capt. J. H. Keens, A.F.C., secretary; Capt. A. T. Whealy, D.S.C., treasurer; and Major Bert S. Wemp, D.F.C., Capt. W. A. Curtis, D.S.C., Capt. H. G. Clappison, D.F.C., Lt. James Crang, Lt. J. H. Johnson, Dr. W. E. Brown and Dr. Fletcher Sharpe.

The Club's planes and equipment are valued at around $25,000, which is exclusive of the flying field at

## CANADA VARNISH JUST COMPLETED FINE NEW PLANT

### Addition to Plant at Leaside Doubles Previous Production

The Canada Varnish Company, Limited, has been located at Leaside for something better than two years, during which time its business has so prospered as to render necessary the duplicating of original plant and buildings. The company has just completed the erection and equipping of a substantial brick and concrete building which will more than double output of present used by them under arrangement with the owners, the York Land Co.

the company, and take care of increasing business for some time to come.

The company manufactures a number of well-known brands of varnishes and enamels, and supply several hundreds of reputable dealers in Ontario, Eastern and Western Canada. Ontario is naturally the largest market for such products, but Maritime, Quebec and western business also constitutes a substantial volume.

Canada Varnish Company, Limited, is capitalized at $40,000, all issued. Its directors and officers are: Rupert E. Edwards, president; H. B. Carlaw, vice-president, and Alexander J. MacNevin. The first two are well-known in the paint and varnish trades, and Mr. MacNevin was for twelve years a member of the Prince Edward Island Legislature prior to joining the company a year ago.

Henderson Coal Company
COAL AND COKE
Deliveries to all parts of City.
All fuel is under cover and protected from rain and snow.
Our Policy — Fair Dealing and Prompt Service
*Give us a Trial*
HENDERSON COAL COMPANY
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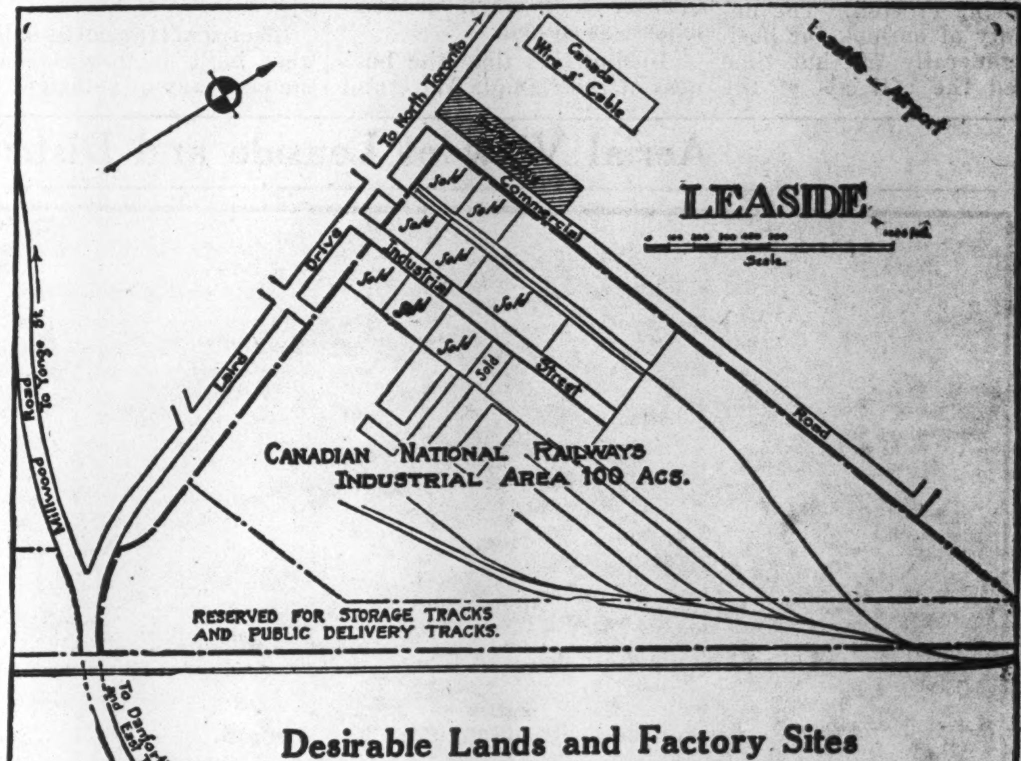
CANADIAN NATIONAL RAILWAYS
UNUSUAL
OPPORTUNITIES
OFFERED BY
CANADIAN NATIONAL RY'S
FOR
INDUSTRIAL LOCATIONS
— AT —
LEASIDE, TORONTO




Unexcelled for General Transportation Facilities

Good Trackage Available

The above land and buildings are offered for sale by Canadian National Railways. The property is located on Laird Drive approximately five minutes from the corner of Danforth and Pape Avenues across the recently constructed Leaside Bridge which links Leaside with Toronto. Property is admirably situated for trackage facilities and is in the centre of the industrial section adjoining the Durant Motor Company of Canada, the Canada Wire and Cable Company, and is near the famous Leaside Airport.

Buildings in First Class Condition

Prices Reasonable

*Further information may be obtained from*
H. A. PALMER
*Right of Way Agent*
Canadian National Railways
Room 454, New Union Station, Toronto, Ont.

TRAVEL BY AIR
*Toronto's Best Air Transport Co.*
will provide
Aircraft for Any Flight
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*Service — Comfort — Speed — Safety*
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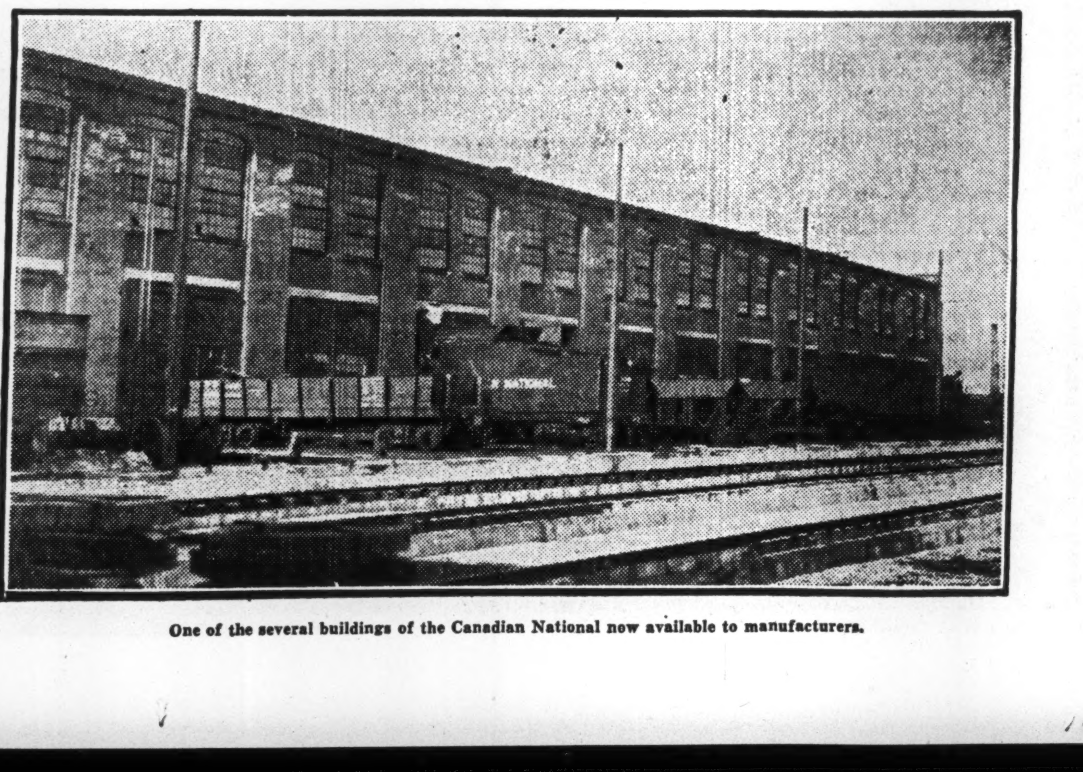
LEARN TO FLY
at
TORONTO AIRPORT — LEASIDE
Best equipment and personnel is available, approved of and sponsored by the Dominion Government.
*2 Instructors* *4 Aeroplanes*
TORONTO FLYING CLUB
Airport Hud. 9632 Leaside
Secretary CAPT. J. H. KEENS 754 Yonge St. King. 2909

## C.N.R. Shops at Leaside



One of the several buildings of the Canadian National now available to manufacturers.

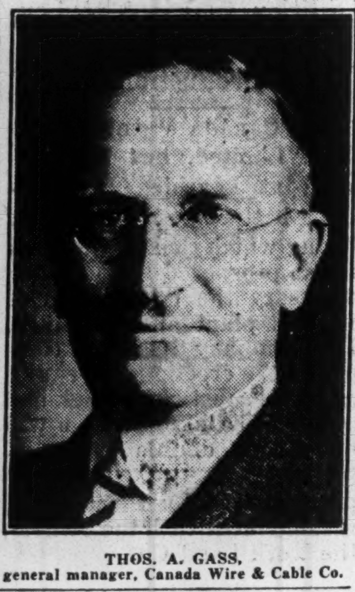
# Canada Wire & Cable Has One of Largest Plants on Continent

### Only One Other Canadian Company Equals Production

### CABLE FOR BRIDGES

### And Mines Are Manufactured — More Than 1,000 Kinds of Wire Made at Leaside

**Manages Wire Co.**



THOS. A. GASS, general manager, Canada Wire & Cable Co.

From an annual production of around $600,000 some fifteen years ago, volume of business of Canada Wire & Cable Co., Leaside's oldest industry, has grown by leaps and bounds, and the present year's volume of business, already well along toward the $5,000,000 mark, will probably approximate ten times the business transacted by the company during the calendar year 1912. And in addition, of course, the variety of products manufactured by the company is much greater than in the early years of its history.

**Built in Leaside**

The Canada Wire and Cable Company, Limited, was incorporated in the spring of 1911 and commenced manufacturing in leased premises on Dundas Street West, Toronto, in August, 1911, manufacturing bare and weatherproof copper wire, cable and aluminum transmission cable.

The turnover for the first full year's operation, being the calendar year 1912, was approximately $625,000. At that time the company only occupied a portion of the premises on Dundas Street, but the rapid growth of the business soon necessitated the taking over of all of the Dundas Street premises, and gradually other lines such as rubber-covered wires and cables, flexible cords and magnet wire were added.

The Dundas Street premises proving inadequate for the growth of the business the company purchased a factory site in the Town of Leaside when same was incorporated in 1913, and early in 1914 commenced the construction of their present modern factory at Leaside, the Canada Wire & Cable Company's plant being the first plant to be erected in the town.

When war broke out in August, 1914, the Leaside buildings were only partially completed, the walls and roof only being erected. The uncertainty of outlook for business generally at that time decided the officials of the company to shut down construction work and remain in the Dundas Street premises.

It was soon realized, however, that the Leaside factory was admirably suited for the manufacture of munitions, and the company secured an order from the Imperial Munitions Board for the manufacture of 9.2" shells. To handle this order a subsidiary company, the Leaside Munitions Company, Limited, was formed with an Ontario Charter, early in 1916. A portion of the main building was completed and machinery for the manufacture of 9.2" shells installed.

The company made such a good showing both in low cost and in production on this order that they were awarded two further contracts for the same size shell, and later on the factory was switched over to the manufacture of 6" shells, gradually expanding in this munition work to the point where they were the largest producers of 6" shells on the North American continent, at the same time, producing in the Leaside and subsidiary plants, time fuses, aeroplane parts, ferro-silicon and other essentials needed by the Government.

In 1918, on the recommendation of the Imperial Munitions Board, the company was awarded the contract for 12" shells required by the United States Government. Both for forging and machining an entirely new plant was built and equipped in less than six months for this work at an expenditure of over $4,000,000; and the company had just commenced the manufacture of these shells when the Armistice was signed.

During this time the business of the Canada Wire and Cable Company proper continued to expand owing to the tremendous quantities of electrical wire and cable required for the extension of electrical transmission and distribution systems, to take care of the large amount of power required for the manufacture of munitions, as well as the demand for insulated wires and cables in a large number of new munition factories that were established, in addition to which, the company was manufacturing large quantities of field telephone wire and other types required by the Allied Governments.

After the signing of the Armistice, the equipment in the Leaside plants was disposed of, and in April, 1919, the Wire and Cable business was moved from Dundas Street to Leaside, machinery being installed in accordance with the original plans made in 1914.. There was now ample room for expansion, and other lines, including steel wire rope, were added to round out the production of the company and utilize the floor space available.

**Liberal Civic Expenditures**

The location of the company at Leaside and the fact that no public service utilities were available, necessitated very substantial expenditures on the part of the company. At that time there was no gas service, electric light, water mains, sewers or telephones, etc., in the town, nor any means of transportation from Yonge Street, which was the nearest car line, the plant being approximately two miles east of Yonge Street.

The company installed a 12" water main from the city limit to the industries at an expenditure of $100,000 and deeded this main to the Town of Leaside, the main in question still forming the source of water supply to the industries located at Leaside.

Electrical transmission lines were built on guarantees by the company of sufficient revenue to cover the capital cost of same. These lines still feed the Leaside industries.

A system of sewers was installed jointly by the town and the company.

A bus service was organized and the Canada Wire & Cable Company paid a substantial monthly subsidy to the bus service up to the date this year when the Toronto Transportation Commission took over the transportation service.

**Most Modern Plant**

The moving of the manufacturing facilities of the company from Dundas Street to Leaside presented a splendid opportunity for putting in the most modern and up-to-date machinery for the manufacture of its various lines, and the officials were quick to take advantage of this opportunity, so that to-day, the Canada Wire & Cable Company's plant being the last complete plant installed in the Dominion, is provided with every modern facility for the manufacture of Electrical Wire and Cable, and Steel Wire Rope.

The personnel of the company to-day is almost identical with the personnel at the beginning of the company's operations. This applies all through the organization in its various departments. The labor turnover in the factory proper has been very small and a large number of the men who first started with the company still are in its employ, and new help in all departments has been taken on from time to time as the growth of the business warranted.

**Wide Ramifications**

Some idea of the scope and ramifications of the company can be gained from the fact that Canada Wire & Cable has supplied cable for transmission lines for practically every power company and power commission operating in the Dominion of Canada, as well as transacting substantial business in the wire and cable required for the various municipal and power company distribution systems.

It also has a very large business with the various pulp and paper mills that have recently been built in the Dominion, including the supplying of wire and cable to the Three Rivers and Gatineau Mills of the International Paper Company; the Manitoba Pulp & Paper Company's new mill in Northern Manitoba; the Ste. Anne Paper Company, Limited; the Murray Bay Paper Company, Limited; the Lake St. John Power & Paper Company, Limited, in the Province of Quebec, and the Spruce Falls Power & Paper Company's development in Northern Ontario.

**Skyscrapers and Bridges**

Canada Wire & Cable has supplied the insulated wire and cable used in numerous large buildings erected all over Canada, including the Mount Royal Hotel, Montreal; the New Royal Bank Building, Montreal; the new Royal York Hotel, new Daily Star Building, Toronto; the large extension to the Robert Simpson Company's store at Toronto; the new store of the Hudson Bay Company at Winnipeg, and many other large buildings erected recently throughout the Dominion.

The company has supplied steel wire rope to most of the larger mines throughout the Dominion, as well as the various pulp and paper companies' lumbering industries in British Columbia; and in addition, has supplied the steel wire rope required for a number of suspension bridges erected in the Dominion, including the new bridge recently completed on the Caribou Highway over the Fraser River at Spuzzum, B.C.

**Capitalized at $3,000,000**

Canada Wire & Cable Company, Limited, is capitalized at $3,000,000, made up of $1,500,000 7 per cent. non-cumulative preferred stock and $1,500,000 common stock, both of $100 par value per share. The directors and officers of the company are as follows:

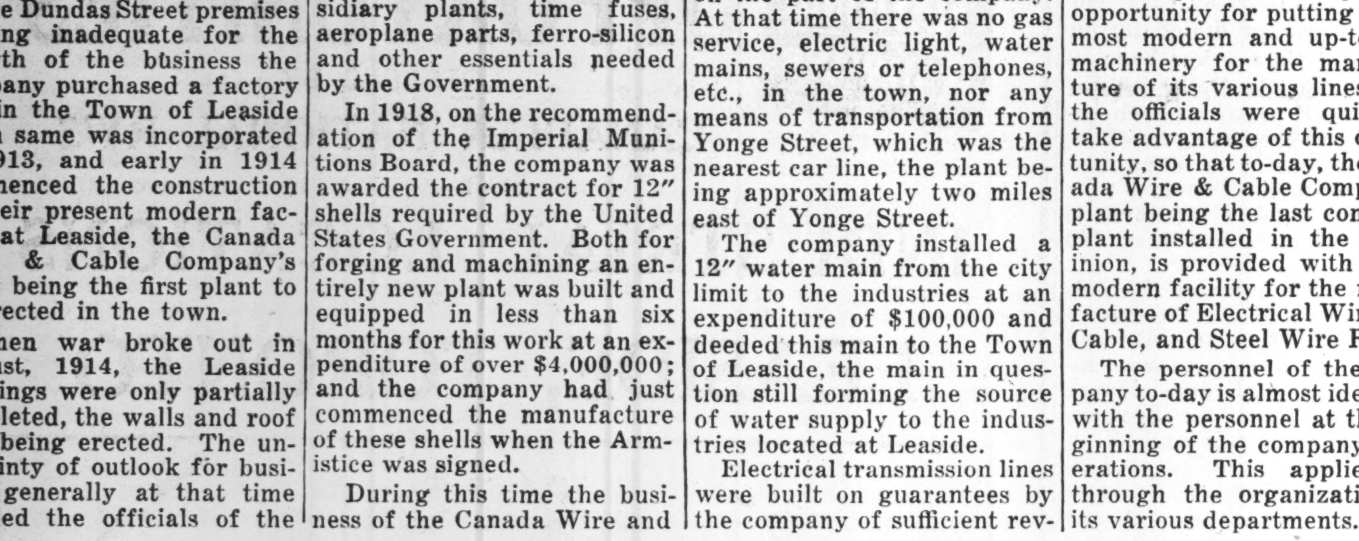
E. A. Wallberg, president; H. Horsfall, vice-president; Thos. A. Gass, general manager; H. J. Boggis, secretary-treasurer; J. A. Woodard, works manager; W. R. Greenshields, sales manager, Toronto; W. P. Roper, manager, Montreal district; E. A. Seath, manager, Quebec district; A. E. Esling, manager, Alberta district, and E. W. Johnson, manager, Vancouver district.

The company maintains branch offices and warehouses located at points throughout the Dominion, in such centres as Vancouver, Calgary, Regina, Winnipeg, Montreal and Quebec, and agencies at Halifax, N.S., Saint John, N.B., Ottawa, Timmins, Sault Ste Marie and Port Arthur, Ont., and Edmonton, Alberta.

## Wide Investment in Leaside Lands

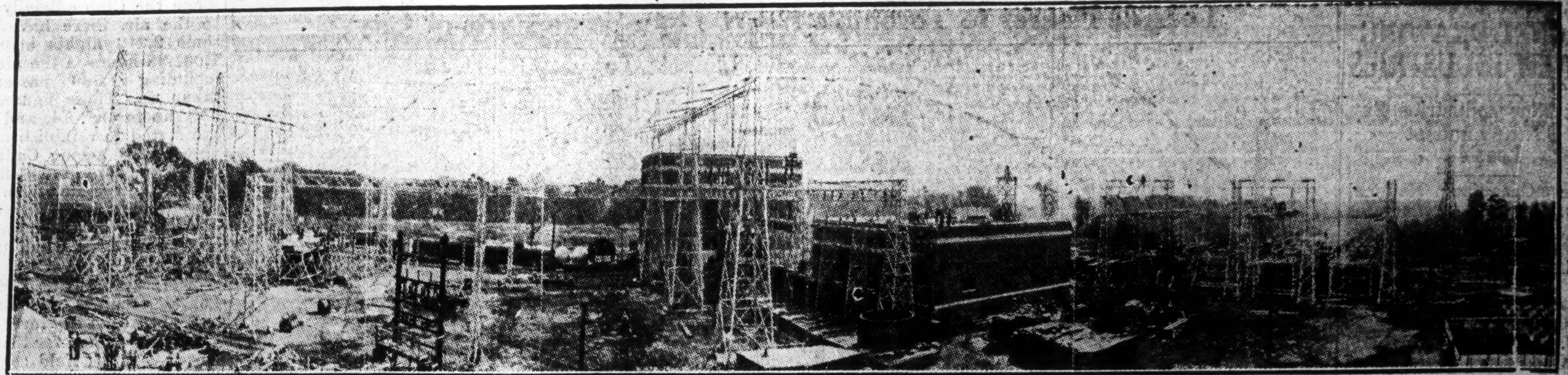
Owners of land in Leaside include residents of three provinces of the Dominion and several foreign lands. Paris, France; Rotterdam, Holland; Cardiff, Wales; London, England; Harrogate, England; and Denver, Colorado, are the addresses of some of the more distant owners of property in Leaside. Winnipeg and Toutes Aides, Manitoba, represent western investment; and Montreal and Dolbeau, Que., eastern investment; while Ontario is represented by many towns and cities as well as the substantial resident ownership in the town itself.

## Aerial View of Leaside and District



Lower view shows two of Toronto Flying Club's moth planes. Arrows show location of flying field and Viaduct. Circle shows Sunnybrook Farm.

# First Unit of $5,000,000 Power Plant at Leaside



The first unit of the Gatineau power substation built at a cost of more than $2,500,000, was opened recently at Leaside, Ontario. It will be three years before the second unit is completed and full complement of power received. This plant owned by Ontario Hydro Electric System, receives power from the Gatineau River.

## BIG POWER PLANT ONE OF GREATEST ON N.A. CONTINENT

### Transformers Will Use More Water Than Small City

In Leaside is located one of the greatest hydro-electric power sub-stations on the continent. This is the Toronto receiving end of the Gatineau power, and has been located in Leaside for several reasons. One is that the site seemed eminently suitable both for receiving power by the nearest direct line from Gatineau and also because it was on a good central location for distribution of the power all over Ontario. For another thing, it was necessary to have the best of railway facilities, as extremely heavy equipment had to be handled by rail and moved right to its destination on steel. In this respect Leaside qualified, for its rail facilities are equal to most big cities in Canada.

The hydro development calls for the eventual expenditure of more than $5,000,000 in transmission lines and transformers. To date about half that amount has been spent and the balance will be spread over the next two to three years, the complete work likely taking until the fall of 1931.

The power unit at present in operation at Leaside consists of transformers in four banks of 45,000 k.v.a., the transformers themselves being of the largest possible size, limited only by transportation facilities. These transformers are the largest single-phase, water-cooled units in physical size ever built, so far as is known. Each transformer weighs 368,000 pounds complete, and the twelve transformers require 1,300,000 gallons of water per day for water cooling, or about the amount of water ordinarily used by a city of 15,000 inhabitants.

The Leaside power station is provided with every convenience and safeguard. Control devices are of the simplest and most effective type obtainable, and can be operated from one single panel no larger than ordinary desk push-button controls. Yet this station will control the flow of power in the future to many municipalities in Ontario, and make possible industrial development otherwise not easy of attainment.

FRANK BARBER & ASSOCIATES LIMITED
*Consulting Engineers*
Bridges — Buildings — Surveys
Engineers for the Leaside Viaduct

LEASIDE
*Choice, Close in, Industrial Sites*

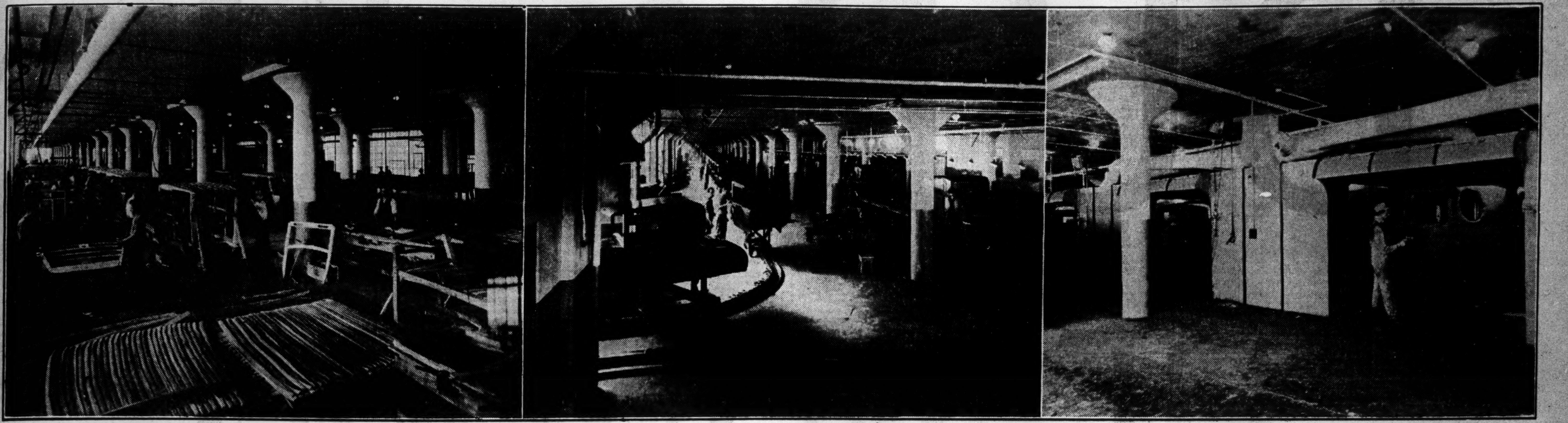
Note the proximity of Leaside to Downtown Toronto!
(Within the 3-mile circle from Bloor and Yonge Sts.)

Paved highways and good roads!
Railway sidings installed on the property!
City water, gas, telephone and other improvements!
**Low Taxes** and assessment!
High and dry healthy environment!
T.T.C. transportation from Yonge and Danforth!
Easily and quickly accessible!
Leaside is already a large and active industrial centre with a number of plants already established and employing many men.
A considerable tract of choice residential land situated close to the industrial area served with **sewers** and **city water** is particularly suitable for working men's and employees' homes. Taxes are **extremely low.**
Leaside has a fine Public School, community and business centres and its capable and economical administration insures Progress and Stability!

PRESENT ATTRACTIVE PRICES
Factory Lands — $5,000 per acre
Residential Land — $22 to $36 per foot

Wood, Fleming & Company, Limited
*Exclusive Agents*
700 Royal Bank Building
ELgin 6161
Leaside Office
HUdson 1791w

# DURANT MOTORS OF CANADA ACHIEVES NEW RECORDS IN 1928



Left to right these interior views of the big Leaside industry show part of closed body plant, a section of the conveyor line, and the Duco spray booths, which are the most modernly equipped in Canada.

## Durant Motors Has One of Most Modern Automobile Plants

### Several Unique Features Including Extensive Conveyor Systems

### EFFICIENCY FIRST

### Plants Scientifically Laid Out Following Surveys Made by Competent Engineers

Durant Motors of Canada owes much of its success to the modern and thoroughly equipped plant it owns and operates at Leaside, Ontario The buildings are new, well-built, light and airy, and the equipment is the most modern and up-to-date procurable.

**Valuable Freeholdings**

The company owns, absolutely free from mortgage or encumbrance of any kind, some 14-1/3 acres of land on railway sidings located in the industrial section of Leaside and actually little more than half a dozen miles from Toronto's harbor front, and a plant consisting in part of some 10 modern buildings with a floor space of more than 500,000 square feet and equipped to turn out upwards of 175 cars a day.

The buildings themselves are quite new and constructed of brick and reinforced concrete, well lighted, well heated and well ventilated, and the machinery is of the latest type. The conveyor systems have been installed only after the most careful survey by Durant engineers and are stated to be excelled by none on the continent. The Duco plant is particularly well equipped. The machines, by which the chassis is cold-riveted are, with one exception, the only ones of their kind in Canada. Every device that tends toward the saving of labor or that facilitates production has been adopted.

**General Manager**

ROY D. KERBY,
the man who is largely responsible for Durant Motors successful operation.

**Scientific Layout**

Much of the efficiency in manufacture is due to the scientific layout and arrangement of the various buildings so as to get the best result at the least expenditure of time and labor. With this object in mind, five of the buildings have been laid out in a straight line, forming a frontage a third of a mile long. The plants on this frontage are the chassis assembly, radiator assembly, body finishing, shipping tunnel and enclosed loading dock.

The first unit in this long line of buildings, the chassis assembly building, is 644 feet long by 132 feet wide, and contains machine shop, frame and chassis assembly, and receiving departments.

**Assembly Interesting**

The next in line, official, Plant Number 6, is also a one-story building and is 100 feet long by 40 feet wide. In this plant radiators are assembled and installed.

Next comes plant Number 7, which is 400 feet long by 100 feet wide. This is a three-story building. On the upper floor the bodies are upholstered and trimmed, and, by a special system of hoist and conveyor, the finished body is dropped to the assembly line below at stated intervals, just sufficient to allow the workers on that section of the line to complete their portion of the assembly before the car conveyor carries it away and replaces it with another body from above.

In fact, this portion of the manufacture of motorcars in the Durant plant probably offers the greatest thrill of all to the visitor. Upstairs a constant stream of bodies is being brought to the finishers' place by special conveyors, while below the chassis are being gradually brought up. Then, at the appointed time, the finished body is whisked away from the upholsterers and quietly dropped through the floor opening to a moving chassis below, only to be quickly seized and fast bolted down by waiting mechanics. Then the process is repeated over again, the actual capacity of this assembly running into many score a day.

The next building in line, the radiator building, is some 100 feet long by 40 feet wide, and of shape and equipment to quickly handle the detail of assembling and installing the radiation system.

Then comes the shipping tunnel, known as Plant Number 9, and immediately adjoining this is the enclosed shipping dock that can accommodate twenty-four freight cars, safe and secure in all times and weathers.

The other various plants are located in the most convenient places to best serve this long line of buildings. The steam power building, or Plant Number 2, adjoins the chassis building, as does Plant Number 3 containing enamel room and electric substation. Plant Number 8 is a twin of Plant Number 7 and is joined to it by four enclosed bridges, two on the second floor and two on the third. The body plant is located on the ground floor, with the Duco plant above.

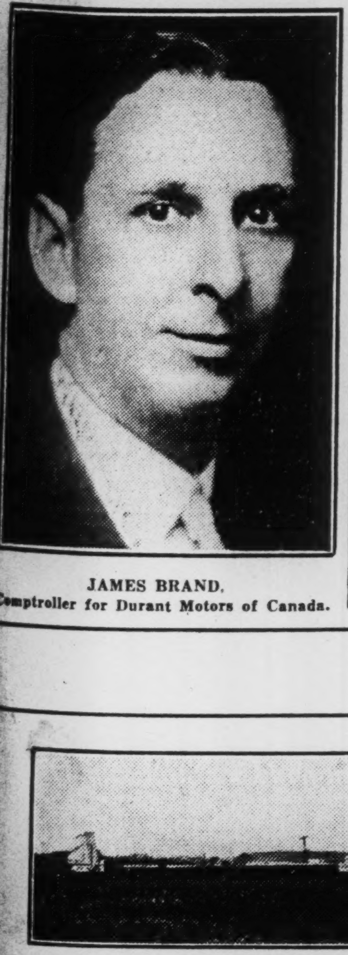
**Complete Conveyor Systems**

A unique feature of the Duco plant is the conveyor system, an endless chain 1,100 ft. long propelled by a motor of only 5 h.p. capable of carrying a load of 71 bodies. It runs the entire length of the Duco plant, and returns conveying the bodies through the various Duco stages, then turns across the bridge to the trim shop, where it delivers the finished ducoed body and picks up the empty truck on its return.

The conveyor systems in operation at Durant are, as a matter of fact, one of the noticeable features. Paralleling the third of a mile frontage of the first five plants described has been installed one of the conveyor systems to transport the automobile throughout its various stages of chassis and final assembly from where it begins at the cold-riveting machines in the form of a frame, to where it passes off the line a finished automobile under its own

(Continued on page 22)

**Durant Comptroller**



JAMES BRAND,
Comptroller for Durant Motors of Canada.

### Three Years of Progress

| | 1927 | 1926 | 1925 |
|---|---|---|---|
| Cash .......... | $1,824,600 | $869,792 | $ 279,070 |
| Accounts Rec. ... | 251,788 | 100,246 | 61,300 |
| Inventories ...... | 388,098 | 581,696 | 1,024,185 |
| Other Profits ... | 396,691 | 234,592 | *20,883 |

*Deficit

When considering these figures, the further gains made this year of 35.75 per cent. in production and 69 per cent. more cash than on Sept. 30, 1927, should be remembered.

## DURANT DEALERS' ORGANIZATION NOW COVERS DOMINION

### Success of Company is Largely Attributed to Strong Sales Force

In the half-dozen years that Durant Motors has been making cars at Leaside, quite a remarkable dealer organization has been built up. From a nucleus of one main factory branch in Toronto, the sales organization has extended year by year until now it covers the entire Dominion. The Durant dealer organization now extends clear across the continent, Durant dealers being found at Glace Bay, N. S., and Victoria, B. C., and everywhere in the vast area in between.

It is to the loyal dealer organization that the management gives much of the credit for the splendid sales' record achieved by the company during the past two years.

## YORK ACCEPTANCE CONCLUDES SOON SUCCESSFUL YEAR

### Durant Motors Subsidiary Does Substantial Business

The York Acceptance Corporation, subsidiary of Durant Motors, will shortly conclude its first full year of operation. While no official figures are available, it is understood that profits for the first year have been more than satisfactory and the outlook for 1928 is good.

York Acceptance was organized about a year ago to take care of Durant motor-car paper. At first it looked after only wholesale paper, but in the last few months it has also taken care of a good part of the dealer retail paper.

The officers of the company are P. J. Duggan, president, who is also sales manager of Durant Motors of Canada, Limited; J. A. Brand, vice-president, who is comptroller and assistant secretary of Durant, and B. J. Sutherland, secretary-treasurer, who is capital stock transfer officer of the Durant Motors of Canada, Limited.

The York Acceptance Corporation Limited has an office in conjunction with the transfer department of the Durant Motors of Canada, Limited, in the Atlas Building, 350 Bay St., Toronto.

## EFFICIENT STAFF OF TRAINED MEN DIRECT DURANT

### General Manager Roy D. Kerby Has Wide Experience in Motordom

The directing genius behind the Durant motor organization is Roy D. Kerby, general manager of the company.

Mr. Kerby came to Durant's a little more than three years ago and he has had a great deal to do with building up Durant into a strong industrial and commercial unit.

Working with Mr. Kerby is a loyal body of executives and workers, many of whom have been with the company from its inception. The development of the company's export business and the provision through that source of continuous work even in the ordinarily quiet motor-making period, has enabled the company to hold it staff right from the outset.

The general manager is assisted by several efficient executives, including James Brand, comptroller; P. J. Duggan, sales manager, and Frank B. Averill, factory manager. All of these gentlemen, as well as the general manager, are Canadians, and practically the entire factory staff is also Canadian.

Mr. Kerby originally came to the company as sales manager and was raised to the general managership just two years ago.

### Conveniences for Durant Workers

Some of the conveniences provided for Durant employees, are a first aid hospital and a roomy cafeteria.

The cafeteria has a separate building of its own and its equipment includes electrical refrigeration of the latest type. The dining room of the cafeteria will seat 450 persons.

### Durant Increases Output

Additions to Durant Motors plant at Leaside now under way will considerably increase the company's motor car production. The three-story brick and concrete office building being erected on Laird Drive, Leaside, across the road from the plant, will occupy a frontage of 177 feet and a depth of 41 feet; and the removal of offices and sales departments from the plant proper will make available for manufacturing a considerable additional area of plant. It is planned to immediately utilize this; and new machinery that will be installed between now and spring will very materially increase production capacity of plant.

Plant and new buildings to be ready early in the new year are costing more than $200,000.

## SUBSTANTIAL GAINS IN ALL DEPARTMENTS OF DURANT MOTORS

(Continued from page 15)

car purchaser having to pay anything additional.

**A Profitable Year**

This is where the 35.75 per cent. increase in production comes in particularly handy; for with volume of sales and production up more than a third, Durant is able to make a very handy profit on its increased volume of business, and thus make possible continuation of benefits to shareholders.

And incidentally, the same 11,000 Canadian stockholders of Durant of Canada are wondering about dividends and whether there may be anything in some of the "street" rumors which have predicted additional disbursements next year. While the management is naturally reticent about dividends until such time as the board of directors have definitely settled upon a policy, it seems quite likely that a conservative policy will be pursued in the matter of dividends. The present 40c. per share dividend, which represents less than a third of of the profits earned in 1927, will, of course, be maintained; but there seems some doubt of the rate being materially increased, even in the face of earnings that will likely exceed by a nice little sum the hefty profits of 1927.

**Building Up Reserves**

The attitude of the general manager, Roy D. Kerby, is that substantial reserves should be built up by the company before any great amount of earnings should be paid out in the form of dividends. A substantial profit and loss surplus built up in the fat years, is felt by the management to be the best policy towards the stock; for even should leaner years come, it would still be possible to maintain the four per cent. dividend in face of dwindling profits, paying this per cent. dividend.

And incidentally, that same little profit and loss surplus is reaching quite a tidy sum. On December 31st last it was already climbing into its second third of a million dollars, standing at that time at $377,228. Last year's tidy profit of $396,691 enabled the company to place $243,647 in this surplus fund, after setting aside a sum sufficient to pay the entire 1928 dividend; and it certainly does not seem likely that less than a similar sum of nearly a quarter of a million dollars will be available from 1928 earnings after all charges and similar provision for the 1929 dividend.

**Sales Manager**

P. J. DUGGAN,
sales manager of Durant Motors of Canada.

Added to this is the fact that the company has still further improved its fine cash position during the current year. The cash position of the company on September 30th last year represented a betterment of 103 per cent. over the same period of 1926. On September 30th of this year there was a further increase in cash position, the gain being 69 per cent. over September 30th, 1927.

Probably the cash position of the company is one of the biggest things accomplished by the management, outside of the production and sales record that has been set up. Actually at the present time cash and other liquid assets are stated to represent practically dollar for dollar of the par value of the entire capital stock outstanding, not taking into consideration at all the fine site, buildings and plant which probably would take at least two and a half million dollars to replace. So that viewed from that angle, the shareholders are in rather a nice position.

**Earnings Outlook Good**

From several angles, in fact, the shareholder of Durant of Canada seems to be pretty well off. To be sure, the automobile building business has its ups and downs like everything else. But since the first few years of its constructive period, when the company was improving its product, ascertaining the precise needs of the Canadian market and getting together its sales organization, earnings of Durant have been consistently good. In 1926 there was a healthy profit; last year a very substantial profit; and this year is confidently expected to make a better showing than last or any previous twelve months in the company's history.

Trading in the company's shares have been on a moderate scale most of this year, with an advance from $6 a share in April to $10.25 early in May and midsummer recessions to as low as $7. For the past three months the price has mostly been around $8 a share with one sale at par of $10 a share, and several sales at various prices in between.

### Durant Motors Has No Bank Loans

Durant Motors of Canada have no debentures, no bank loans, no mortgages on any of their property, and only one kind of stock,—common shares in units of $10 par.

## DURANT FACTORY IMPROVES MODELS MONTH BY MONTH

### As Improvements Develop They Are Built in New Cars

In the six years that have elapsed since the first Canadian Durant motorcar was offered to the public, the company has built up an excellent reputation for mass production of a quality product. While certain style changes have been necessary in that time, the general policy of Durant of Canada has been against radical change of models from year to year; in fact, it has been stated that there have been no radical changes in design by Durant for some time past, the company achieving the latest in design and mechanics by simply building in the new improvements from time to time as they become available rather than once a year adopting a batch of improvements and getting out totally different models.

This policy of building in all practical new improvements just as soon as feasible instead of waiting to turn out once a year a totally new set of models which make obsolescent the previous year's product, has been rigidly followed by Durant Motors of Canada, particularly during the past three years. As an improvement is worked out by the company's engineers, it is immediately put to severe tests and, if it survives the test and appears good, it is shortly after placed on all new cars going out

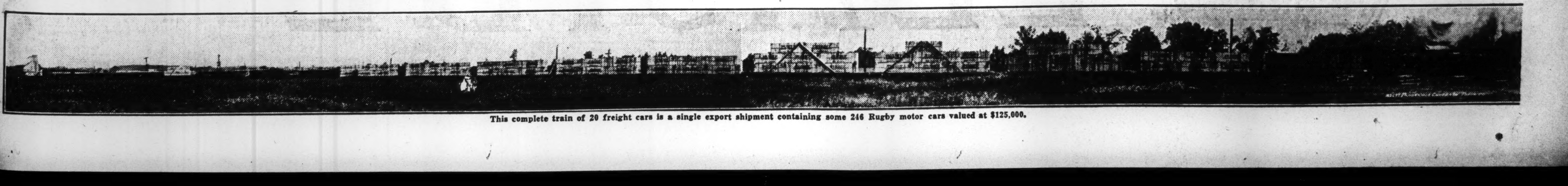
**All Models New**

This policy of inbuilding the current improvements means that current production is always right up to the minute in approved and practical additions to power and equipment, and the last car taken from the line at any time will be found to have incorporated many improvements that otherwise might be kept for new models to appear months hence.

**Factory Manager**

FRANK B. AVERILL,
Durant Motors factory manager.

## Trainload of Cars Valued at $125.000—A Single Durant Shipment



This complete train of 20 freight cars is a single export shipment containing some 246 Rugby motor cars valued at $125,000.

# DURANT

# OF CANADA

## New Production and Sales Records are established in selling season of *1927–1928*

THE demand for Durant products is the greatest in the history of the company.

Sales have shown steady month-by-month increases, as high as 200% over the corresponding month of the previous year.

PASSENGER CARS
in Four and Six Cylinder Models

DURANT

# LEASIDE

# MOTORS

# ◆ LIMITED

**Durant products have won the Confidence of Canadian people from Coast to Coast**

IN appearance, performance, comfort and economy Durant products merit the attention of careful buyers.

The fact that they are engineered and built by Canadians to meet Canadian motoring requirements commends them to Canadians.

DURANT and RUGBY TRUCKS
1-2 Ton 1 Ton 1 1-4 Ton Capacity

RUGBY

# ONTARIO

# LEASIDE VIADUCT BRINGS SEVERAL NEW INDUSTRIES

## Eight New Industries Start in Town This Year

The East York-Leaside Viaduct, otherwise known as Confederation Viaduct and the Leaside Bridge, is one of the longest and most imposing viaduct on the North American Continent. Its over all length, including the approaches, is 4,500 feet, or only 780 feet short of a mile. The length of bridge structure alone is 1,400 feet, and it stands some 135 feet above the ravine. The Viaduct proper is 56 feet wide and the roadways approaching are of the same or greater width. To build the structure cost $975,000, or just within the million dollars most often quoted as its cost.

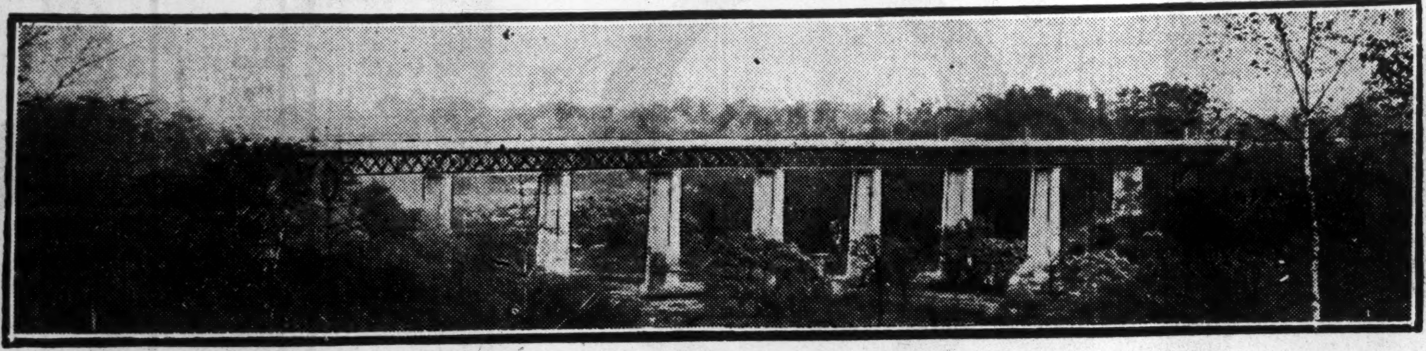
The Viaduct is the result of several years' active effort on the part of individuals and committees chiefly anxious to see the entire area of land lying a short distance from the centre of Toronto made accessible for the logical expansion of the city. As far back as 1911 the Civic Improvement Committee of Toronto under the chairmanship of Sir Wm. Meredith, had outlined a comprehensive scheme of civic development, and this scheme included a bridge in the neighborhood of the present Viaduct.

### Quick Work

Actually, the spade work in organizing the Viaduct scheme was done in the years from 1920 to 1926, during which time the various bodies interested held frequent conferences and eventually decided upon a definite course of action. In May, 1926, Frank Barber was appointed engineer and ordered to prepare designs for the Viaduct. Four months later the plans and specifications were ready, and the contract to build the Viaduct was let on November 1. Actual construction commenced on December 13, 1926, when the first sod was turned. Roger Miller & Sons turned the Viaduct over all ready for traffic on October 29, 1927, or some ten months later.

The Viaduct's chief importance to Leaside is the opening of a new highway to Toronto and points east via Danforth Avenue, and also opening a through traffic line from the south right through the town to Yonge Street. This means that buses at present, and later streetcars, can be routed on through lines via Leaside, not only affording an actual traffic short-cut to many people living in the northern part of Toronto, but also opening up a large section for residential occupation.

## East York—Leaside Viaduct



Opened to traffic a year ago, the Leaside Viaduct has already brought much new business to the town.

# BANK FACILITIES EQUAL TO CITY'S IN LEASIDE TOWN

## Factories and Residents Well Served by Branch Bank

Ample banking facilities are provided industries and residents of the Town of Leaside by a branch of the Imperial Bank conveniently located at the business centre of the town. As the town's uttermost limits are nearer the centre of Toronto than a good part of the city itself, Leaside may be said to have all the banking facilities available to other industries located in the city.

The actual location of a branch bank within its borders is, however, a real convenience to both residents and industries. It means that the large factory payrolls can be looked after right in the town itself, and that all other banking requirements of residents can be promptly taken care of.

## Where Durant "Paper" is Handled

Offices of York Acceptance Corporation in Toronto.

# DURANT MOTORS HAS ONE OF MOST MODERN AUTOMOBILE PLANTS

(Continued from page 19)

power. It is then ready for the brake-testing machine, and other final tests.

Ample electric lighting, as well as adequate electric power distribution, is provided by the Ontario Hydro-Electric System. An air compressor installation with a capacity of 1,500 cubic feet per min. furnishes abundance of power to the air drills, air hammers, air hoists, and all other air-driven equipment, including the cold-riveting machines. A complete sprinkler system has been installed. Elevator service includes four elevators of the high-speed freight type. The stairs are completely enclosed and fireproof.

### Shipping Facilities

Not only has all the latest equipment been installed to speed up production, but no expense has been spared to facilitate movement of both incoming and outgoing freight. Tracks for incoming raw materials run the entire length of the plant and, together with additional storage tracks, accommodate 38 freight cars. For the outgoing finished product, the completely enclosed loading dock, with its double tracks, one for export, the other for the domestic trade, will house 24 freight cars.

The export dock is equipped with an overhead traveling crane for conveying and loading export boxes. Extra trackage is provided on the outside of the domestic dock for shipping during the rush season. Switching facilities are available to both the Canadian Pacific and Canadian National Railways.

Such are some of the factors that have been instrumental in bringing about Durant's success as manufacturers of motorcars for the Canadian people. The first car was actually turned out only about six years ago. At first, production was naturally slow, but once the early experimental stage was passed, progress in manufacture has been very rapid, the present capacity output of 175 cars a day being heavily taxed this past summer.

As the demand for its products has increased, so also have the facilities for production. From time to time the plant has undergone enlargement and improvements, new equipment has been installed and new machinery units added, including the new conveyor system of the chassis assembly line, complete Duco finishing equipment, the rebuilding of the boiler plant and, with the development of its export business the building of an additional shipping dock with overhead traveling crane. To-day the company possesses a thoroughly modern plant, the capacity of which will be further substantially increased when the new buildings now proceeding are completed.

## Canada Wire Co. Erects New Plant

The Canada Wire and Cable Co. is now proceeding with an addition to its present plant and equipment that will cost in the neighborhood of $1,000,000. The new plant will be used for the manufacture of lead-covered underground cables, the only single kind of wire and cable used by the electrical industry not heretofore manufactured by the company.

In its present plant, which is one of the two largest in the Dominion of Canada, the company manufactures over 1,000 different kinds and constructions of copper wire!

# EXTEND RESEARCH WORK OF FUEL BOARD

## Federal Department Now Constructing Complete Laboratory

MONTREAL.—A new fuel research building, in which facilities will be available for larger and more varied investigations than have hitherto been possible in Canada, will be constructed by the Department of Mines.

More than $150,000 is being expended on the erection and installation of this unit, which, when completed, will be the best equipped fuel research laboratory in America. The work is now being conducted by the Division of Fuels and Fuel Testing, which includes investigations into the more efficient utilization of the solid, liquid and gaseous fuels produced in this country, will be transferred to the laboratories some time this winter. Facilities will be available for chemical and physical analyses and for both small and large scale research investigations.

In addition to the usual apparatus for testing and analytical work, the equipment of the new laboratories includes a by-product recovery coking plant, powdered fuel steam generating equipment and briquetting and coal washing plants, all of which are designed for test work on a commercial scale. Equipment will also be provided for research work in low temperature carbonization, the liquefaction of coal and the production of synthetic motor spirits, the distillation of oil shales, and for experiments in house heating with different Canadian fuels.

The results of the Department's investigations in fuel testing and in other lines of research are embodied in annual reports and in other publications issued from time to time.

## Nanson Rothwell & Co. Secure Larger Offices

Nanson, Rothwell & Co., Vancouver, brokers, have taken over ground floor offices at 818 Pender Street West, immediately opposite the new Stock Exchange Building, which is now being erected on the corner of Howe and Pender Streets. This move has been found necessary owing to lack of space in the firm's recent quarters at 517 Granville Street.

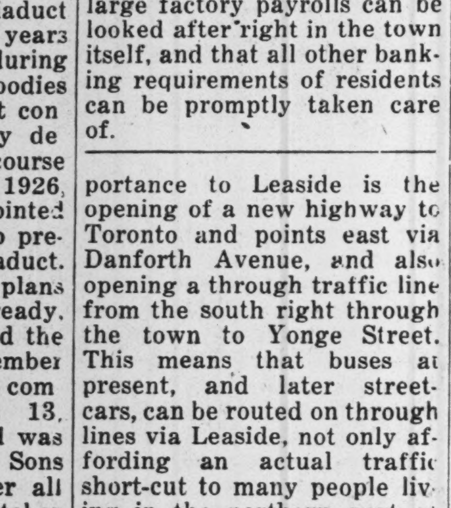

—a name that stands for the best in both tobacco and cigarettes (There's SOMETHING about them you'll like)

Herbert Tareyton

Cigarettes—Plain ends and cork tips

Tobacco—Heavy lead-foil-wrapped pouch package, 25c; also home tins, $1.50

When it's wear you want




Sask for Superma Varnishes

WEAR and more wear, proof against time and weather,—that's the slogan of "SUPERMA" Varnishes. Modern methods and chemical research enable us to give the public the very best at a price which the elimination of waste makes the most reasonable of any high-grade product.

Canada Varnish Co. Limited
Leaside, Ont.
Canada

Backed by a positive "money-back" guarantee

W. M. HODGSON W. L. JARVIS J. C. ROUTLEDGE J. P. HODGSON

HODGSON, JARVIS & COMPANY

Members Montreal Stock Exchange Members Montreal Curb Market

252 NOTRE DAME STREET WEST, MONTREAL

Telephone MAin 6631

SERVING A GREAT CITY

THIRTY-THREE branches of the Imperial Bank of Canada are now conveniently located throughout Toronto. Within a few minutes' walk of practically every office building, warehouse or factory in the city you will find one of our branches. Each is completely equipped to render a service which is reflected in the steady, conservative growth of this bank.

Branch at Leaside

IMPERIAL BANK OF CANADA

Assets over One Hundred and Forty Millions

161

Atlantic Sugar Refineries LIMITED

Lantic Sugar

General Offices
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.


ANNUAL REPORT of the DIRECTORS OF

# THE GOODYEAR TIRE AND RUBBER COMPANY

## OF CANADA, LIMITED

To the Shareholders: Toronto, October 23rd, 1928.

Your Board of Directors submits the accompanying Balance Sheet as of September 30th, 1928, certified by your Auditors, Price, Waterhouse & Company, which sets forth the results of the operations for the past fiscal year and the present position of the Company.

After providing for all manufacturing, selling, administrative expenses and taxes, the profits for the year are $3,577,697.30. Out of this amount we have set aside $820,487.18 for depreciation of buildings and equipment, leaving a net profit for the year of $2,757,210.12. This amount exceeds the profits of any previous year in the history of the Company. The above profits do not include a further profit on the export business of the company for the past three months owing to our not knowing the exact amount thereof at the time of issuing this statement.

A complete inventory has been made of all of the assets of the Company. Stocks crude, in process and manufactured, have been priced at cost or market value which ever was the lower. Adequate reserves have been provided to meet all possible losses for bad debts and outstanding liabilities, including income taxes, etc.

The following summary shows the disposition of the profits for the year:

| | |
|---|---|
| On retiring 1,260 shares of Preferred stock having a par value of | $ 126,000.00 |
| Dividend at 7% on Preferred stock | 547,666.00 |
| Dividend of $5.00 a share on Common stock | 666,500.00 |
| Bonus of $1.00 a share on Common stock | 133,300.00 |
| Net expenditures for additions to plant and equipment | 650,843.77 |
| Earnings of subsidiary companies not withdrawn | 120,808.68 |
| Increase in deferred charges | 8,781.38 |
| Increase in net current assets or working capital | 1,323,797.47 |
| | $3,577,697.30 |

By referring to the Balance Sheet it will be seen that your Company's position has been materially strengthened, even as compared with that of a year ago.

In addition to the increases in our Buildings and Plant and Reserve for Depreciation above-mentioned, it will be noted that the Working Capital has increased by $1,323,797.47 and that the cash balance at Sept. 30, 1928, amounts to $4,657,445.70, an increase of $1,522,444.77. The surplus of $5,901,549.68 represents an increase of $1,409,744.12.

Your current assets are 6.3 times your current liabilities, and you have a working capital of $8,639,689.86. Your reserves for depreciation are equal to 42% of the gross book value of buildings and equipment.

Notwithstanding the addition to our plants referred to in our report of a year ago, our production facilities were insufficient for the domestic and foreign business offered us during the present year, therefore, we found it necessary to add to our New Toronto plant. The extension to the plant is now under roof and will be ready for occupancy by December 1st. During the past year our Canadian business increased 30½% in unit volume, but owing to the lack of buildings and equipment we were not in a position to take care of all foreign business offered. All three of your plants have been operated throughout the year to a maximum production. Your cotton plant at St. Hyacinthe has proven a most profitable investment. It is producing a very high grade product and its entire output is not sufficient to supply the requirements of our two rubber plants.

Some information in regard to the plants may be of interest to our shareholders. At the cotton plant at St. Hyacinthe we have 5.75 acres of land, at the Bowmanville plant 33.35 acres of land and at the New Toronto plant 25.86 acres, making a total of 64.96 acres. The total of factory floor space is 24.64 acres composed as follows:

| | |
|---|---|
| St. Hyacinthe | 3.89 |
| Bowmanville | 3.33 |
| New Toronto | 17.42 |

Your plants are all modern, well laid out, economically operated and in good repair.

The year's business just closed was difficult to handle, owing to the rapid decline in price of rubber—in January rubber was 42c. per pound and declined to a low of 17c per pound. Your Company was fortunate in that it did not have to take a write down on its crude or finished product. The only loss sustained during the year was the rebates to dealers on decline of finished stocks on hand. Your Company has a comfortable supply of crude materials, none of which are in excess of the current market price.

We are entering the present fiscal year under most favorable conditions and would predict that your Company will keep pace with the rapid development, both of Canadian and foreign trade.

Respectfully yours,

C. H. CARLISLE, President and General Manager.

### Balance Sheet September 30, 1928

**ASSETS**

| | | | |
|---|---|---|---|
| **CURRENT AND WORKING ASSETS:** | | | |
| Cash:— | | | |
| In banks | $1,716,964.94 | | |
| On hand and in transit from branches | 240,480.76 | | |
| Call loans | 2,700,000.00 | | |
| | | $4,657,445.70 | |
| Accounts receivable:— | | | |
| Customers | $2,652,956.04 | | |
| Miscellaneous | 302,995.11 | | |
| | $2,955,951.15 | | |
| Less—Reserve for bad and doubtful accounts | 101,000.26 | | |
| | | 2,854,950.89 | |
| Inventories:— | | | |
| Finished goods | $1,496,666.12 | | |
| Goods in process | 357,950.19 | | |
| Raw materials and supplies | 956,410.32 | | |
| | | 2,811,026.63 | |
| | | $10,323,423.22 | |
| **INVESTMENTS IN AND ACCRUED EARNINGS OF SUBSIDIARY COMPANIES** | | | 487,141.20 |
| **REAL ESTATE, BUILDINGS, PLANT, MACHINERY AND EQUIPMENT** | | | 8,735,006.88 |
| **DEFERRED CHARGES TO OPERATIONS:** | | | |
| Insurance, taxes and rents, paid in advance | | | 55,899.10 |
| | | | $19,601,470.40 |

**LIABILITIES**

| | | | |
|---|---|---|---|
| **CURRENT LIABILITIES:** | | | |
| Accounts payable | | $ 975,077.57 | |
| Miscellaneous | | 271,814.29 | |
| Dividends on Preferred and Common Stocks payable Oct. 1, 1928 | | 436,841.50 | |
| | | | $1,683,733.36 |
| **RESERVES:** | | | |
| For depreciation of buildings, plant, machinery and equipment | | | 3,579,207.36 |
| **CAPITAL STOCK:** | | | |
| Seven per cent. Cumulative Preferred Stock— Authorized—195,000 shares of $100.00 each | | $19,500,000.00 | |
| Issued and fully paid— 79,498 shares of $100.00 each | | $ 7,949,800.00 | |
| Less 1,260 shares redeemed during year | | 126,000.00 | |
| | | | 7,823,800.00 |
| Common Stock— Authorized—150,000 shares of no par value of which 133,300 shares have been issued | | $ 133,300.00 | |
| Capital surplus | | 479,880.00 | 613,180.00 |
| **SURPLUS:** | | | |
| As of October 1, 1927 | | $ 4,491,805.56 | |
| Profit for the year ending September 30, 1928, before providing for depreciation, but after deducting income tax | $3,577,697.30 | | |
| Less—Reserve for depreciation | 820,487.18 | 2,757,210.12 | |
| | | $ 7,249,015.68 | |
| Deduct—Dividends: | | | |
| On 7% Pref. Stock | $ 547,666.00 | | |
| On no par value Common Stock, at $5.00 a share | 666,500.00 | | |
| Bonus of $1.00 a share on Common Stock | 133,300.00 | 1,347,466.00 | 5,901,549.68 |
| | | | $19,601,470.40 |

October 23rd, 1928.

To the Shareholders of The Goodyear Tire and Rubber Company of Canada, Limited:

We have examined the books and accounts of The Goodyear Tire and Rubber Company of Canada, Limited, for the year ending September 30th, 1928.

We have satisfied ourselves that all charges to Property Accounts are in respect of actual additions, and sufficient provision has been made for accruing depreciation. The stocks on hand have been taken and valued by the Company at prices not in excess of cost or market; the bad debt reserve is considered sufficient to provide for all doubtful accounts; the bank balances were confirmed by certificates, and we have taken all reasonable precautions to satisfy ourselves that all liabilities as at September 30, 1928, are included in the Balance Sheet.

And we certify that the annexed Balance Sheet is drawn up so as to show the true financial position of the Company as of that date and the results from the operations for the year ending September 30, 1928, according to the best of our information and the explanations given to us and as shown by the books of the Company.

PRICE, WATERHOUSE & CO., Auditors.

**BOARD OF DIRECTORS**

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BELTING:—Conveyor, Elevator, Transmission, Miscellaneous.
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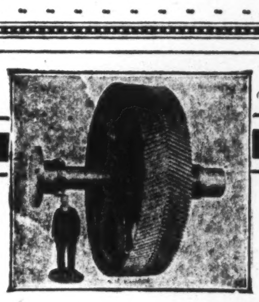

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# Current Events in Banking World

## First Canadian Bank Branch in Newfoundland Carried on in Middle of Big Warehouse

### Canadian Bankers Soon on Job When Local Banks Crashed in 1894 — Bank of Nova Scotia First to Open

By A. C. BOWMAN

The story of the entrance of Canadian banks into Newfoundland is one that shows initiative and enterprise. Newfoundland with all its resources and development, is practically dependent on branches of Canadian banks to carry on its financial and business operations.

It was in 1894 that the first branch of a Canadian bank was established. Many Newfoundlanders will remember, no doubt, December 10, 1894, when the two banks of the country—the Commercial Bank of Newfoundland and the Union Bank of Newfoundland — closed their doors, and did not reopen. The country was immediately thrown into a panic. Without banking facilities, business was at a standstill. Uncertainty existed throughout St. John's as to how many firms would go down with the banks. Holders of the banks' notes were equally disturbed and uncertain as to what they would get out of the wreck as the notes were not specially secured, holders being placed in the same position as depositors or any other creditor of the bank. Depositors were faced with the loss of their savings. Everywhere, disorganization prevailed.

**Nova Scotia First on Job**

It was a situation such as this that the Canadian banks had to contend with in providing banking facilities for the Island. Immediately upon receipt of the news of the disaster, officials of the Bank of Nova Scotia made arrangements to send a representative to Newfoundland, primarily to look after their interests involved in the transactions they had with the Newfoundland banks. For this work the bank chose J. A. McLeod, now vice-president and general manager of the bank. Mr. McLeod was then stationed in Nova Scotia when he received word to go to Newfoundland immediately. Accompanied by D. Waters, then inspector of branches, he sailed from Halifax and reached Newfoundland on December 16, 1894. On the same boat was D. R. Clarke, representing the People's Bank of Halifax. No branch was opened by this bank and Mr. Clarke returned to Halifax after a short visit. It is interesting to note that Mr. Clarke later became an assistant general manager of the Bank of Montreal.

**Soon Opened Branch**

The work of settling the affairs of the Bank of Nova Scotia was commenced at once and the advisability of establishing a branch was soon seen. Steps to this end were proceeded with, but one of the most difficult problems was the finding of suitable quarters for the branch. Accommodation was limited and suitable banking offices were practically nil. Finally the situation was solved by taking space in one of the warehouses of the city of St. John's. There among barrels of flour and stored merchandise was opened on December 21 the first branch of a Canadian bank in Newfoundland and banking facilities were re-established on the island after a lapse of eleven days. About the first of 1895 William Stavert, now Sir Wm. Stavert, arrived in St. John's to assume the position of manager of the bank. From this beginning the Bank of Nova Scotia has gradually expanded throughout the island until to-day twelve branches are in operation in different towns and cities.

The next bank to enter Newfoundland was the Bank of Montreal. About three weeks after the establishing of the Bank of Nova Scotia branch the Bank of Montreal opened a branch in St. John's. Since then other Canadian banks have placed branches there and now in addition to the Bank of Nova Scotia and the Bank of Montreal the Royal Bank of Canada and the Canadian Bank of Commerce maintain offices.

Up to the time of the entrance of the Bank of Nova Scotia the banking of the island was centred in St. John's. Both the Newfoundland banks were located in that city and as there were no banks throughout the country the business was carried on chiefly through St. John's. No effort had been made to provide outlying districts with banking facilities and in that way develop the country. This localizing of trade and banking proved to be unfortunate as when the crash came it was apparent that the centre of trade was going to receive a disastrous setback. At that time the chief industry was fishing and when the catch was good the firms flourished. When, however, the catch was poor, the business of the colony suffered. It had been the custom of the banks to assist the business men in such times but their assistance had been too liberal, it is said, with the result that when the crisis came many firms failed.

**Opened Throughout Country**

The policy inaugurated by the Bank of Nova Scotia was to extend the banking facilities and build up the business of the country in more than one place. With this in mind a branch was opened in February, 1895, at Harbour Grace under the managership of J. A. McLeod, who was, as has been mentioned, one of the first Canadian bankers in Newfoundland following the crash. This branch meant much to Newfoundland as it offered the people of the country the first opportunity of doing their banking without sending it through St. John's.

In the past few years the industries of Newfoundland have prospered and expanded until now the colony is not dependent on the fishing industry solely, as in the days of their banking disaster. The pulp and paper industry is now practically as large as the fishing industry and growing yearly. While St. John's is still the chief centre of trade there are now many more thriving places which have been built up, due in no small part to the activities of the Canadian banks in supplying sound banking such as was pioneered by the Bank of Nova Scotia in the historic year of 1894.

## U.S. Duty on Canadian Cement Lightly Regarded

From Our Own Correspondent

MONTREAL. — The United States Treasury announce the imposition of a duty on Canadian cement at the rate of 8 cents per hundred pounds, plus a duty of 20 per cent. ad valorem on the bags. This, according to the announcement from Washington, is in retaliation of a similar duty imposed by the Canadian government on importations of cement from the United States.

Judging by the imports and exports of cement between Canada and the United States, this new tariff regulation will have little effect upon the industry. In the twelve months ended March, 1928, imports of cement into the United States were valued at $87,000, an increase of $7,000 over the preceding year.

Exports of cement to United States for the fiscal year 1928, were valued at $47,000, as compared with $102,000 in the preceding year. Both imports and exports are relatively unimportant in comparison to total production.

It seems a case of much ado about nothing.

## Weekly Bank Clearings

(As compared with same week last year)

| Eastern Cities | Oct. 27, 1927 | Oct. 25, 1928 |
|---|---|---|
| Halifax | $ 3,002,812 | $ 3,675,398 |
| St. John | 2,493,849 | 3,025,902 |
| Moncton | 879,599 | 936,178 |
| Quebec | 6,644,225 | 6,928,212 |
| Montreal | 134,614,480 | 195,068,759 |
| Sherbrooke | 873,610 | 1,062,619 |
| Ottawa | 7,239,411 | 9,444,738 |
| Kingston | 898,403 | 1,112,557 |
| Peterboro | 895,510 | 1,000,120 |
| Toronto | 128,651,216 | 184,028,510 |
| Hamilton | 6,041,660 | 6,196,338 |
| Brantford | 1,285,642 | 1,569,426 |
| London | 2,914,473 | 3,696,986 |
| Sarnia | 760,844 | 631,435 |
| Kitchener | 1,202,150 | 1,184,935 |
| Windsor | 4,853,068 | 6,634,216 |
| Chatham | 713,990 | 832,805 |
| **Western Cities** | Oct. 27, 1927 | Oct. 25, 1928 |
| Winnipeg | $69,484,727 | $ 86,403,655 |
| Brandon | 711,179 | 1,246,396 |
| Moose Jaw | 1,635,555 | 1,794,085 |
| Saskatoon | 2,155,081 | 3,255,477 |
| Prince Albert | 372,555 | 581,142 |
| Calgary | 11,026,222 | 15,111,779 |
| Lethbridge | 947,297 | ........ |
| Edmonton | 5,546,437 | 7,537,118 |
| Medicine Hat | 446,065 | 689,776 |
| Vancouver | 18,938,053 | 22,211,895 |
| N. Westminster | 571,657 | 927,142 |
| Victoria | 2,537,449 | 2,727,024 |
| Fort William | 966,767 | 1,361,779 |
| Regina | 5,025,213 | 8,585,473 |

## Bank Chat

A new member of the Hole-in-One Club is D. C. Davidson, manager of the Royal Bank at Shawinigan Falls.

R. K. McCarthy, for the past three years assistant manager of the Canadian Bank of Commerce at Halifax, has been appointed assistant manager of the Market Branch in Toronto and has taken up his new duties.

The Bank of Montreal opened the St. Lawrence Market Branch, Toronto, on October 26, under the management of N. A. Hyland.

B. P. Alley, superintendent of the Canadian Bank of Commerce branches in Saskatchewan, has been promoted to the superintendency of the branches in Manitoba with new headquarters in Winnipeg.

H. F. Liggins at present superintendent of branches in Cuba, with headquarters in Havana, will succeed Mr. Alley in Saskatchewan. Prior to his work in Cuba Mr. Liggins served in both western and eastern Canada, having at one time been stationed at Winnipeg.

A. E. Griffin, for the past two years manager of the Bank of Nova Scotia in Edmonton, will leave shortly for Cuba where he will manage the Havana branch. Previous to 1926 Mr. Griffin was assistant manager in Havana. Before taking up his new duties around January 1, Mr. Griffin will visit in the Old Country.

Gordon H. Logie, former manager at Edmonton for the Bank of Nova Scotia, will resume his old position in Edmonton upon Mr. Griffin's departure. After leaving Edmonton in 1923 due to ill-health, Mr. Logie was at the head office of the bank for some time and then went to Ottawa and from there to Galt.

C. H. Stuart, manager of the Milton branch of the Canadian Bank of Commerce for the past 16 years, is to be retired with a pension at the end of this month.

Stanley Wilson, for many years manager of the branch at Minnedosa, Man., will succeed Mr. Stuart at Milton.

The first anniversary of the opening of the Walkerville premises of the Imperial Bank of Canada also marks the seventh anniversary of the arrival of the present manager, William T. Carthew. The present building replaced a small structure which was the original building but which became inadequate because of the increased business built up by Mr. Carthew. The Imperial Bank has had a branch in Walkerville for almost nine years.

Reginald Elliot, formerly of Molson's Bank, died at his home in Toronto on October 19, in his 71st year. Mr. Elliot served the bank for 45 years and retired only five years ago from the branch in Norwich. Mr. Elliot was manager of Molson's banks in Exeter, West Toronto and Norwich.

F. Stanley Long, for the past ten years manager of the Royal Trust Company's office in Winnipeg and formerly manager of the Bank of British North America in Calgary, has left for London, Eng., to undertake important work for his company. Mr. Long has been a man of many interests and was president of the Winnipeg Canadian Club and provincial commissioner of Boy Scouts in Manitoba.

Captain Allan D. Harper has been transferred from the Belleville branch of the Bank of Montreal to the Superintendent's office of the bank in Toronto. Captain Harper has been on the staff at Belleville since before the war and will be greatly missed in banking and military circles. J. C. Wiseman will succeed Captain Harper as accountant at Belleville. Mr. Wiseman is transferred from Brockville.

W. M. Fraser, formerly in charge of the Collingwood East branch of the Canadian Bank of Commerce and for the past four years manager for the bank at Golden, has been promoted to the position of manager of the branch at Kelowna, B.C. Mr. Fraser will replace N. M. Foulkes who has been granted leave of absence in order to take an extended trip to England.

The new issue of currency of the United States will probably be placed in circulation around July, 1929, according to present plans of the Treasury Department. The issue is now on the presses and is being printed at the rate of several million dollars a day. It has been decided that it will be better to delay distribution until an adequate supply of the new bills has been printed rather than risk a shortage. The new issue is smaller than that in circulation at present and it is the claim of the Treasury that the new bills will be more convenient to handle, more durable and less costly to manufacture. The bills will be in the following denominations: $1, $2, 5, $10, $20, $50, $100, $500, $1,000, $5,000, $10,000. Approximately 53 per cent. of the issue will be of $1 denomination.

The Royal Bank will build a new bank building to cost $25,000, at the corner of Yonge and DeLoraine Streets, Toronto.

### Joins Ad. Firm

DUNCAN MARSHALL, formerly minister of agriculture for Alberta, former journalist, and a leading livestock breeder, who has joined the Advertising Service Company, Limited, as Director of its Agricultural Markets Advertising Department.

## Inventory Position of Sugar Refiners Shows Improvement

From Our Own Correspondent

MONTREAL.—Further improvement in the inventory position of the Canadian sugar refineries, is seen in the report for the week ended October 6th, issued by the Department of Trade and Commerce. At the end of the week, stock on hand totalled 37,800,000 pounds, as compared with 51,700,000 for the corresponding week of 1927. Receipts totalled 21,000,000 pounds for the week of October 6th, 1928, as against 29,776,000 pounds last year.

Apparently there is a better demand for Canadian refined sugar in the domestic market of late, as during the four weeks ended October 6th, meltings and shipments from Canadian refineries totalled 79,671,000 pounds. This compares with the corresponding total of 72,943,000 pounds in the corresponding period of 1927. Accumulative meltings and shipments from January 1st to October 6th, 1928, totalled 716,845,000 pounds as compared with 779,245,000 pounds in the same period of the preceding year.

Stocks on hand as at October 6th, 1928, totalled 39,655,000 pounds. This is approximately 21,000,000 pounds less than at the same time in 1927.


# The Royal Bank of Canada

Head Office, Montreal

**Condensed Statement to the Dominion Government**

*30 September, 1928*

**LIABILITIES**

| | |
|---|---|
| Capital Paid Up | $ 30,000,000.00 |
| Reserve Fund | 30,000,000.00 |
| Undivided Profits | 1,809,831.87 |
| Notes in Circulation | 44,871,354.94 |
| Deposits | 703,843,789.77 |
| Due to Other Banks | 29,187,010.59 |
| Bills Payable (Acceptances by London Branch) | 3,083,248.94 |
| Letters of Credit outstanding | 47,088,412.54 |
| | $889,883,648.65 |

**ASSETS**

| | |
|---|---|
| Cash on Hand and in Banks | $109,336,995.98 |
| Deposit in the Central Gold Reserves | 12,400,000.00 |
| Government and Municipal Securities | 113,873,226.74 |
| Railway and other Bonds, Debentures and Stocks | 17,721,427.29 |
| Call Loans in Canada | 61,020,792.16 |
| Call Loans elsewhere than in Canada | 69,940,878.26 |
| | $384,293,320.43 |
| Loans and Discounts | 438,482,984.41 |
| Liabilities of Customers under Letters of Credit as per contra | 47,088,412.54 |
| Bank Premises | 15,341,772.22 |
| Real Estate other than Bank Premises | 1,707,364.18 |
| Mortgages on Real Estate sold by the Bank | 1,459,794.87 |
| Deposit with Dominion Government for Security of Note Circulation | 1,510,000.00 |
| | $889,883,648.65 |

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**Big Lamb Deal**

A deal involving $25,000 was put through at Raymond, Alta, recently, when the Swift Canadian Co. purchased 4,000 wether lambs from the Knight Sugar Co. The lambs comprised a choice lot right off the range where feed is excellent—better than ever before. It is generally admitted that livestock will go into winter quarters in much better shape this season than in any previous year.


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Yet with over 10,000,000 American tourists and visitors from other countries coming to Ontario, Toronto offers the scant hotel accommodation of only 1.93 rooms for every thousand of its own population—less accommodation than any other large city in North America, and less than 30% of these rooms are modern and fireproof.

Tourist expenditure in Canada for the current year promises to exceed $400,000,000, and on last year's basis of $275,000,000 the accommodation of tourists is established next to wheat as the GREATEST CANADIAN INDUSTRY.

The serious shortage of hotel accommodation in Toronto, with Canada's increasing prosperity definitely assured, and the magnitude of the tourist trade, guarantees success for HOTEL TORONTO. Its necessity is self-evident. It offers tangible assets, safety of principal, and increased income to the investor.

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Now building within a stone's throw of Yonge Street at King Street East and Leader Lane, HOTEL TORONTO is in a splendid position, adjacent to the established financial district and the heart of Toronto's retail centre. Eighteen stories in height, with 250 guest rooms at the popular prices of $2.50 to $4.00 per day, HOTEL TORONTO is to be one of the most "UP-TO-THE-MINUTE" hotels in Canada—every room with an outside location, equipped with combined bath and shower, radio and circulating ice-water, and furnished to the highest standard. Toronto has no greater need than a modern, fireproof, reasonably rated, centrally located hotel such as this.

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*New Issue*

# $300,000

# The Ritchie Cut Stone Company, Limited

*6½% First Mortgage Twenty-Year Sinking Fund Gold Bonds*

*Dated 1st September, 1928.* *Due 1st September, 1948.*

*Principal and half-yearly interest (1st March and 1st September) payable in Gold Coin of Canada at the holder's option at the Canadian Bank of Commerce in Montreal, Toronto, Hamilton, Guelph, Stratford and Calgary. Bonds may be registered as to principal.*

*Denominations: $1,000 and $500*

Provision is to be made for an annual sinking fund commencing 1st September, 1929, of $10,000 or one-half the net profits of the company, whichever is the greater. Redeemable in whole or in part on any interest date before maturity on 60 days' notice at 104 and interest up to and including September 1st, 1933; thereafter at 103 and interest up to and including September 1st, 1938; and thereafter before maturity at 102 and interest.

*Trustee: Chartered Trust & Executor Company, Toronto*

**HISTORY OF BUSINESS:** The Ritchie Cut Stone Company, Limited, was organized in 1912 to take over the business of George Ritchie, (an Aberdeen Scotsman, and father of the present executives) who for over twenty years previous to date had conducted a small but prosperous hand-cutting stone yard in Hamilton, Ontario. Steady expansion followed with the installation of modern machinery and methods for the fabricating of cut-stone.

**MANAGEMENT AND PERSONNEL:** The two sons of the founder, Messrs. George W. and Charles N. Ritchie, have been thoroughly trained in the business by their father since boyhood, and with the expert plant superintendence of Mr. Thomas Y. McLeod, are responsible for the progress and prosperity which the company has enjoyed during the past thirty years. The Messrs. Ritchie and McLeod are under contract with the new company for a period of years, which ensures continuity in the successful management the company has been noted for in the past.

The active executives own a majority of the preference and common shares of the company. Apart from dividend returns, their remuneration depends substantially on the profits accruing in the business, their contracts providing a liberal bonus arrangement based on results, to supplement relatively low salaries.

**BUSINESS IN HAND:** During the past three years the outside business, particularly in Toronto, has grown so fast, that the Hamilton plant is taxed beyond capacity, notwithstanding important additions to land, buildings and machinery. Recent new contracts obtained in Toronto such as the ROBERT SIMPSON CO.'S NEW STORE, MACLEAN PUBLISHING CO.'S ADDITION, TORONTO GENERAL HOSPITAL'S NEW BUILDINGS, C.N.R. EXPRESS BUILDING, CANADA PERMANENT BUILDING AND THE BIG DOMINION SQUARE BUILDING, MONTREAL, made it essential that new and increased production facilities be secured at once. Contracts now in hand will provide continuous operation of both plants until June, 1929. Prospects beyond that date were never better, having in mind the general prosperity of the country and the big building programs of Toronto, Montreal, Winnipeg and other Canadian cities.

**PURPOSE OF FINANCING:** The entire proceeds of this issue will be spent on building and equipping the new factory in New Toronto, and providing working capital for the increased operations in Toronto and Hamilton. Not one dollar is being withdrawn from the business by the principals or shareholders, but on the contrary they are putting more money in.

The site for the new factory has been purchased in New Toronto with convenient and adequate shipping facilities by rail or truck. Economies will be effected in trucking costs, particularly on Toronto jobs, as well as through lower operating costs due to improved machinery and mill design.

**SECURITY:** The bonds will be secured by a first, closed mortgage on the lands, buildings and machinery constituting the present plant at Hamilton, and the new plant at New Toronto, and a first floating charge on all its other assets. No dividends may be paid on the common shares until $150,000 of the bonds have been retired.

Out of the proceeds of this issue $200,000 is set aside and can only be disbursed by the Trustee on certificates of an independent engineer, that the amounts certified have been duly spent on the new property and factory at New Toronto.

After giving effect to the financing of the new Company, its balance sheet as certified to by its Auditors, Messrs. Richardson, Smith, Ferrie & Co., Hamilton, may be summarized as follows:

| | |
|---|---|
| Fixed Assets: Land, Buildings, Machinery, etc. | $461,759.86 |
| Current Assets: Cash, Accounts Receivable, etc. | 196,625.22 |
| Total Assets | $658,385.08 |
| Deduct Current Liabilities | 19,356.11 |
| Total Net Assets | $639,028.97 |

This is equivalent to $2,130 for each $1,000 of this issue outstanding. The current assets of the company are over 10 times the current liabilities.

**EARNINGS:** For the three and half years ending July 31st, 1928, the company's net earnings, after liberal allowance for depreciation, as certified to by its auditors, Messrs. Richardson, Smith, Ferrie & Co. have averaged $31,852 per annum, from the operations of the Hamilton plant only. With the New Toronto plant in production the President and Secretary-Treasurer estimate that the combined net earnings of the two plants will amount to $70,000 per annum, or over 3½ times annual bond interest requirements, which are only $19,500.

*We have purchased and offer the above bonds, when, as and if issued and received by us, subject to the approval of all legal details by Messrs. Rowell, Reid, Wright and McMillan, for the bankers, and Messrs. Thomson & Wallace for the Company.*

**PRICE: 99 and Interest yielding 6.58%**

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# Insurance for Buyer and Seller

## IMPORTANT WORK IN CASUALTY FIELD FOR TRAINED MEN

### Increased Volume of Business Gives Rise to Problem of Personnel

"The principal need of the casualty insurance business is men," stated V. Evan Gray, president of the Insurance Institute of Toronto, in his inaugural address at the opening meeting of that organization on October 25.

"By 1930, the volume of casualty insurance business will almost have doubled in a ten-year period. That cannot happen without a tremendous increase in organization and personnel. Everywhere we turn there are gaps and vacancies in our organizations. We need managers, actuaries, statisticians, underwriters, salesmen, accountants—yes, even lawyers. The business to-day is poverty-stricken in personnel by reason of this extraordinary expansion."

Such men must be trained men, have sound business judgment and political sense, Mr. Gray added. Scientific minds are also essential as the problems of the casualty business must be approached and investigated scientifically. Only by this method can a permanent and secure foundation be found for the development of the casualty insurance business, Mr. Gray believes.

**Member of Insurance Family**

Mr. Gray made the point that casualty insurance belongs to the insurance family and that other members should recognize this fact. He called upon the senior branches, fire and life, to take some interest in, and gather some knowledge of the casualty insurance business and what it is undertaking to do. To demonstrate that the volume of business involved in the casualty field is no longer insignificant, he stated:

"In 1927, the casualty insurance premiums of dominion licensed companies were almost $33,000,000 and the growth is so rapid that it is not unlikely that the premium volume will equal the present volume of fire insurance business in Canada within ten years. The fire insurance companies last year had $50,000,000 of premium income. In the United States, the casualty insurance premium income already exceeds that of the fire insurance business, and in Great Britain the two are almost equal. The rapidity of the growth of the casualty insurance business is really amazing. Seven years ago the premium income was less than $20,000,000. In 1910, it was only about $6,000,000.

"One cannot think of accident and sickness insurance in its relationship to the community and to the individual without a consciousness that the business has not yet begun to find its real place of service. I confidently believe that as soon as the business solves its own pressing problems of organization, there awaits it a development in volume relatively as great as that which life insurance has realized during the past quarter-century. The rate of growth of automobile insurance will be maintained for many years. Workmen's compensation insurance is not entirely resigned to government operation and some of us who are watching its evolution expect to live long enough to see private insurance re-established in a position of useful service in those provinces in which it is now excluded. I do not need to continue the recital. Burglary insurance, fidelity and suretyship—these are but the beginning of great organizations of insurance service which will add to the revenues, the problems and the responsibilities of insurance carriers."

**Must Show Initiative**

Discussing the question as to whether the development of the casualty business is to wait upon public demand, as for example in the case of non-cancellable accident and sickness insurance, or to find its own way by initiative, Mr. Gray answered it by declaring that casualty insurance should not await the public demand for its services but should be ahead of that demand with its development. "And," added Mr. Gray, "such progress and destiny will only be realized as earnest men apply intelligence, vision, imagination, courage, business judgment and common sense to the solution of its problems and the advancement of its service."

The meeting was also addressed by J. D. Craig, F.A.S., F.I.A., F.C.A.S., actuary, Metropolitan Life Insurance Company, and President of the Actuarial Society of America, New York City.

Mr. Craig expressed himself as not in favor of compulsory state insurance. He believed the insurance interests desired freedom of action. He also felt that the members of the institute would do well to keep the man on the street informed on matters of rates and actuarial data so that he might consider himself treated fairly and that he might know his interests were guarded by the various companies associated with insurance business.

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## Only One Legislature Has Compulsory Law

What is the case for compulsory automobile insurance?

The demand for it arises indirectly as a result of the growing number of highway accidents, and directly on account of the number of uncompensated claims arising therefrom due to the liability of motorists who are financially irresponsible. Crowded highways and the tremendous traffic problems of big cities, make it imperative that every precaution be taken to prevent accidents, and the payment of a stiff compulsory insurance fee by all motorists is suggested as a means of driving from the streets hundreds of decrepit and dangerous machines of ancient vintage, which are operated as a rule by individuals who carry no insurance and who are not financially responsible.

The broader reason, however, is the feeling that something should be done to compensate innocent victims of automobile accidents for injuries received at the hands of financially irresponsible motorists. As far as Canada is concerned, this sentiment is largely, if not entirely, confined to those who have actually come in contact with an actual case where an injustice has been suffered. Lawyers, for instance, who have handled this type of case in the course of their day's work, are, as a rule, strong supporters of compulsory insurance.

Perhaps it might be well at this point to clear up any misunderstanding as to what compulsory automobile insurance really means. And there is a lot of misunderstanding on the question.

**Many Confuse Meaning of Term**

The term compulsory automobile insurance does not mean indemnification for everybody who is hurt in an automobile accident, nor does it include payment for damage to one's cars or to property. Ask a great many garage men and auto dealers if they favor compulsory automobile insurance, and their answer will probably be in the affirmative. Question them further and it will be found that what they have in mind is a scheme that will force every automobile owner to insure a personal or property damage in case of an accident. Ask the average man in the street for his views, and in all probability he will also give an affirmative answer, but upon investigation it will be found that he has in mind a plan that will compensate everyone who is injured in an automobile accident, irrespective of whether there is criminal negligence or not.

Neither of these commonly held views is correct. Compulsory insurance, as it has been proposed in various parts of this continent is simply liability insurance extending only to the indemnity for damages for which the injured person is legally liable.

**Does Not Cover Negligence**

That is to say, compulsory automobile liability insurance will not provide compensation for persons injured in automobile accidents happening through their own negligence nor in accidents for which some person other than the owner or operator of the motor vehicle is responsible. The importance of this limitation may best be realized by the estimate that in not more than 40 per cent. of the automobile accidents resulting in serious injury to persons, is the owner or operator of the automobile liable in damages to the person injured.

Thus the purpose of a compulsory automobile insurance law is to secure the financial responsibility of a motorist for any injury caused by the operation of an automobile for which he may be legally liable. So strong has been the demand for some protection against irresponsible motorists, and all their attendant ills, that over 30 states of the American union have discussed legislation in various forms on the subject, and three Canadian provinces have actively entered the lists in the matter, although no legislation has been enacted as yet.

**Support Comes From Various Sources**

The support for these various measures and the agitation that they have aroused has come largely from local members of parliament, local boards of trade, police forces, municipal officials, and so forth. There has been virtually no support from insurance companies, automobile clubs, and very little support for compulsory measures from the official seats of government.

Take for example the case of British Columbia, which is typical. In this province there has been an agitation for some sort of compulsory automobile insurance for several years. Resolutions urging the government to enact a compulsory law were framed by the fire and police committee of Vancouver City, by the Union of British Columbia Municipalities, and by a private member in the provincial legislature. The matter was bitterly opposed by the Automobile Club of British Columbia, and indirectly by the various insurance interests.

During the 1927-28 session the matter came into provincial politics, due to the agitation that had been aroused. A private resolution was introduced, but Attorney-General Manson refused to introduce a compulsory statute as a government measure, and as a result, the matter has been dropped.

**Strongest Case in United States**

The strongest case for compulsory automobile insurance has, of course, been developed in the United States. This is natural, on account of the fact that the automobile accident problem, which is at the root of the matter, is much more aggravated there than it is in Canada. This year alone, twenty-eight States brought forward compulsory automobile insurance laws, and several others had already faced the problem. The crux of the situation seems to lie, however, in the fact that only one state (Massachusetts) has actually enacted a compulsory law.

In effect then, Massachusetts is the only place where compulsory automobile liability insurance is actually being tried out. The law has been in effect there since January, 1927. Any other legislation which has been passed is based on the idea of forcing motorists to prove that they are financially responsible after they have figured in an accident, rather than making compulsory provision before.

All eyes, then, are turned on Massachusetts, especially as there has been a big political row over this law in the past two months.

(The Massachusetts law will be discussed next week. In the meantime consider this an open forum. Whether your interest is that of an insurance company official, a motorist, or a private citizen, your views on this subject will be welcomed.)

## Insurance Inklings

The old Canada Life Building in Hamilton has been sold by the Bank of Montreal to Ryrie-Birks, Ltd., of Toronto. The premises will be remodelled and opened at an early date.

James D. Simpson, formerly assistant manager of the New York office of the Liverpool, London and Globe Insurance Co., has been promoted to the position of manager of the London office. Mr. Simpson was for some time assistant manager of the company at Montreal and later was manager at Toronto.

J. A. Armstrong, Arnprior representative of the Manufacturers' Life Insurance Co., has been promoted to the district managership of Northern Ontario with New Liskeard as his headquarters. Mr. Armstrong takes over his new duties around the first of November.

Recent appointments of the London Life Insurance Co. include that of Arnold Holmes, C.L.U., to the position of manager of the Montreal, St. Lawrence District. Prior to his recent promotion, Mr. Holmes held a superintendency in Hamilton, Ont. Henry W. Barnard has been appointed city manager of the Montreal Amherst branch of the London Life. Mr. Barnard, who has been in the business for twenty years, was formerly with the company in Ottawa.

The Honorable Vincent Massey will address the twenty-second annual convention of the Association of Life Insurance Presidents which will be held at the Hotel Astor, New York, on December 13 and 14. Mr. Massey will address the association on the subject of "Financing Economic Progress."

D. M. Campbell, Maritime manager for the Dominion Life Insurance Co., has recently returned from a trip through Europe.

The Maritime Life Assurance Co. will be in a position to show business in force amounting to $7,000,000, according to a statement made by the directors following the recent quarterly meeting of the board.

Sir Daniel McMillan, LL.D., K.C., M.G., has been elected vice-president of the Great West Life Assurance Co. to fill the vacancy caused by the death of the late G. F. Galt. Sir Daniel was one of the original directors of the company which was formed in 1892 and has taken an active interest in the affairs of the company since its inception. The only other surviving members of the first directorate are Andrew Kelly and R. T. Riley.

D. A. Andrew, B.Sc.A., has been appointed district supervisor for the London Life Assurance Co., with headquarters at Wingham, Ont. Prior to his association with the London Life Mr. Andrew was engaged in the Ontario Department of Agriculture as agricultural representative.

The Standard Life Assurance Co. has recently appointed as local directors of the company in British Columbia, Mr. G. F. Laing, manager of the Bank of Montreal in Vancouver, and Major K. Hamilton White, of the firm Sankey and White of Vancouver.

The Metropolitan Life has just issued industrial insurance policy number 100,000,000. The first industrial policy written by the company was issued in November, 1879, one year less than half a century ago. The total insurance represented by the company's industrial policies amounts to approximately $14,750,000,000.

## LIFE INSURANCE PROTECTS LENDER IN MORRIS PLAN

### Interesting Experiment Tried Out in Industrial Banking Field

Life insurance companies are finding new fields to conquer with the spread of industrial banking in Canada. This type of banking although in operation for some years in the United States is comparatively new here. Only in the last year or so have Canadian companies been established to transact this type of business solely.

The industrial banker is prepared to accept a large number of small loans ranging from $100 to $5,000, in fact it is the small loan of this type that he seeks. He aims to make it possible for the wage earner and salaried man to borrow money for worthy causes, make repayment by instalments, so much a month or week. To secure the loan the applicant must satisfy the industrial banker of its worth and give his note for the amount. The note must be backed usually, by two co-makers who agree to reimburse the banker in the event of the default of the borrower. Now these two co-makers may be quite satisfied that the borrower will be able to meet his obligations, that his job is secure and his salary adequate to take care of the loan over a period of a year and thus gradually wipe out the indebtedness. They would, therefore, have no objection to backing the note as they know the man and his position financially. But there is one hazard that they cannot be sure about, namely, will the borrower live until he has paid off his loan? It is here that life insurance enters and provides a solution to the difficulty.

**Use Group Insurance**

The scheme in general use is a group plan under which the borrower is insured for an initial amount of say $200 which amount is reduced monthly by one-twelfth of the initial amount. Individual policies are issued for each borrower and in the event of death during the year the amount of the insurance becomes payable to the industrial banker and the loan is wiped out.

The advantage of insurance to all concerned in the transaction—the banker, the borrower and the co-makers—is apparent. The banker is assured of his money should the borrower die, without having to call upon the co-makers, a procedure which, while within his rights, might at times prove difficult, costly and lengthy. The borrower welcomes it because he sees a way to safeguard the position of his co-makers, who after all are the means of his obtaining the required loan. For a small additional cost their interests and his family are secured against a call in the event of his death. When carrying the insurance he knows that his debts will be wiped out should he die before repayment is made. The co-makers naturally are in favor of the insurance for it removes the one hazard that they cannot estimate. They can judge their friend and his position but not his span of life.

**Such Banking Spreads Out**

The application of life insurance to the field of industrial banking, as a safeguard for the interests of all concerned is a development that is believed will have considerable expansion in Canada in the near future. Its spread will come naturally with the growth of industrial banking, a business that is making rapid strides already. The first company of this nature was organized in Quebec under a provincial charter. In 1928 a company with a Dominion charter was established in Toronto. The Dominion charter is significant in that it suggests that the operations of the company will in the future be extended to other provinces in Canada. The Quebec company is branching out and will shortly enter Ontario, it is said. All of which goes to show that Canadians are apparently adopting the principle of industrial banking.

While the field in Canada is limited just now, the possibilities may be judged by observing the acceptance of this type of banking in the United States. The Morris Plan Banks, the National City Bank and industrial departments of many other banks are experiencing a growing demand from the wage earner and salaried man, for the privilege of securing loans which may be repaid on the instalment plan. The possibilities for the adoption of a life insurance plan to protect the interested parties are being realized by the insurance companies and this new field is being given much attention both in Canada and the United States.

## Life Underwriters Hear Address on Sales Topic

The subject of "Making the Sale" was dealt with by Ernest W. Owen in his address before the October luncheon of the Life Underwriters Association of Toronto. Mr. Owen is manager at Detroit, Mich., for the Sun Life Assurance Company of Canada.

The first factor to be considered, said Mr. Owen, is the man himself, for as he thinks, so he will be. The insurance man must study closely the approach, the presentation of his case and just how to close the deal effectively. Above all he must eliminate fear, and get his prospect thinking about the problem being placed before him. Mr. Owen enlarged upon methods of approach, presentation and closing, giving illustrations from actual experience.

The meeting was attended by a large number of the association. Members now number 401 as against 323 in 1926 and about 300 in 1925. The membership is constantly increasing and there appears to be a growing tendency on the part of the fraternal societies to take a larger interest in the association. Nine new members from the Ancient Order of Foresters were admitted at the October meeting.

The association also elected its representatives for the Dominion executive, A. D. Anderson, C.L.U., (Aetna); G. Angus German, C.L.U., (Crown); and F. C. Hoy, C.L.U., (Canada), being chosen.

## Ferguson to Speak to Insurance Officers

Hon. G. Howard Ferguson will be the guest speaker at the luncheon held in conjunction with the thirty-fifth annual meeting of the Canadian Life Insurance Officers' Association at Toronto on Friday, Nov. 16. The premier will address the association on the subject: "Research—A National Need."

The morning session of the meeting will take place in the board room of the Canada Life. Three addresses have been arranged for this session. T. G. McConkey, president of the association, will speak on "Prosperity and Its Responsibilities"; R. H. Coats, B.A., F.R.S.S., Dominion statistician, will address the meeting on "Statistics—the Measure of Progress"; and E. A. Macnutt, treasurer of the Sun Life, will deal with the subject of "Life Insurance Investments—Their Part in Canada's Growth." Following these addresses the meeting will be thrown open for discussion.

The meeting terminates with the executive session on the afternoon of the sixteenth, when the various reports and general business will be disposed of.

## Insurance Problems

Insurance questions of general interest submitted by subscribers of *The Financial Post* will be answered in this column. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

**Pioneer Fire**

I am considering the purchase of some stock in the Pioneer Fire Insurance Co. Will you please give me any information you have with regard to the extent of the company's business and the possibilities of the stock as an investment?

The Pioneer Fire Insurance Company was organized early last year and is operating under Dominion license with head office at Winnipeg and with a branch at Calgary.

The company is backed by a strong Board of Directors and the men in charge have had considerable experience in their particular field.

The company writes business at tariff rates and to the best of our knowledge is doing well for a young company.

As far as investing in its stock is concerned, if you do so you must look on it as a long hold, say for five or ten years as in the highly competitive fire insurance field the way of a young company is an uphill one.

**Farmers' Mutual Fire**

Will you please give me any information you have concerning the Farmers' Mutual Insurance Co., which does business in and around Beaverton, Ont. I understand that the company charges a low premium rate and takes a note from the policyholder for a varying amount—$100 to $300—which is collectable in the event of a very heavy fire loss. Is this the customary practice of companies of this kind?

We have not any record of The Farmers' Mutual Fire Insurance Company, operating in and around Beaverton, Ontario. There are, however, two companies with names somewhat similar to this, operating in Ontario. One—The Farmers' Central Mutual Fire Insurance Company has its head office at Walkerton, and has been established since 1894. The other is The Farmers' Union Mutual Fire Insurance Company with a head office at Lindsay, Ontario, a company which has been in business since 1895.

The Farmers' Central Mutual Fire Insurance Company carried net risks at December 31, 1926, of $33,338,137. The total assets amounted to $947,153.

The Farmers' Union Mutual Fire Insurance Company carried net risks at December 31, 1926, of $24,930,356. Total assets stood at $697,381.

The usual method of operation of these companies is, as you state, to charge a low rate and take a note from the policyholders with the understanding that this note is collectible in the event of a very heavy fire loss. The Farmers' Central Mutual Fire Insurance Company had an unassessed premium note capital of $969,322 at Dec. 31, 1926. This was after deducting all payments thereon and assessment levy. The Farmers' Union Mutual Fire Insurance Company had on December 31, 1926, an unassessed premium note capital of $666,249, after deducting all payments thereon and assessment levy. These two companies have been operating successfully, we understand.

## Dates Arranged For Rockwell Congresses

The annual meeting of the Life Underwriters' Association of Canada will be held in Toronto during the week of February 3, 1929, probably Friday, Feb. 8, the association announces.

The association have arranged also to hold the 1929 Rockwell Congresses upon the following dates:

- Charlottetown, P.E.I., Jan. 7, 8 and 9.
- Halifax, N.S.—Jan. 10, 11 and 12.
- Montreal, Que.—Jan. 14, 15 and 16.
- Ottawa, Ont.—Jan. 17, 18 and 19.
- Toronto, Ont.—Jan. 21, 22 and 23.
- Hamilton, Ont.—Jan. 24, 25 and 26.
- London, Ont.—Jan. 28, 29 and 30.
- Fort William, Ont.—Feb. 12.
- Winnipeg, Man.—Feb. 14, 15 and 16.
- Regina, Sask.—Feb. 18, 19 and 20.
- Saskatoon, Sask.—Feb. 21, 22 and 23.
- Calgary, Alta.—Feb. 25, 26 and 27.
- Vancouver, B.C.—March 4, 5 and 6.


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# Insurance for Buyer and Seller

## IMPORTANT WORK IN CASUALTY FIELD FOR TRAINED MEN

### Increased Volume of Business Gives Rise to Problem of Personnel

"The principal need of the casualty insurance business is men," stated V. Evan Gray, president of the Insurance Institute of Toronto, in his inaugural address at the opening meeting of that organization on October 25.

"By 1930, the volume of casualty insurance business will almost have doubled in a ten-year period. That cannot happen without a tremendous increase in organization and personnel. Everywhere we turn there are gaps and vacancies in our organizations. We need managers, actuaries, statisticians, underwriters, salesmen, accountants—yes, even lawyers. The business to-day is poverty-stricken in personnel by reason of this extraordinary expansion."

Such, men must be trained men, have sound business judgment and political sense, Mr. Gray added. Scientific minds are also essential as the problems of the casualty business must be approached and investigated scientifically. Only by this method can a permanent and secure foundation be found for the development of the casualty insurance business, Mr. Gray believes.

**Member of Insurance Family**

Mr. Gray made the point that casualty insurance belongs to the insurance family and that other members should recognize this fact. He called upon the senior branches, fire and life, to take some interest in, and gather some knowledge of the casualty insurance business and what it is undertaking to do. To demonstrate that the volume of business involved in the casualty field is no longer insignificant, he stated:

"In 1927, the casualty insurance premiums of dominion licensed companies were almost $33,000,000 and the growth is so rapid that it is not unlikely that the premium volume will equal the present volume of fire insurance business in Canada within ten years. The fire insurance companies last year had $50,000,000 of premium income. In the United States, the casualty insurance premium income already exceeds that of the fire insurance business, and in Great Britain the two are almost equal. The rapidity of the growth of the casualty insurance business is really amazing. Seven years ago the premium income was less than $20,000,000. In 1910, it was only about $6,000,000.

"One cannot think of accident and sickness insurance in its relationship to the community and to the individual without a consciousness that the business has not yet begun to find its real place of service. I confidently believe that as soon as the business solves its own pressing problems of organization, there awaits it a development in volume relatively as great as that which life insurance has realized during the past quarter-century. The rate of growth of automobile insurance will be maintained for many years. Workmen's compensation insurance is not entirely resigned to government operation and some of us who are watching its evolution expect to live long enough to see private insurance re-established in a position of useful service in those provinces in which it is now excluded. I do not need to continue the recital. Burglary insurance, fidelity and suretyship—these are but the beginning of great organizations of insurance service which will add to the revenues, the problems and the responsibilities of insurance carriers."

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Perhaps it might be well at this point to clear up any misunderstanding as to what compulsory automobile insurance really means. And there is a lot of misunderstanding on the question.

**Many Confuse Meaning of Term**

The term compulsory automobile insurance does not mean indemnification for everybody who is hurt in an automobile accident, nor does it include payment for damage to one's cars or to property. Ask a great many garage men and auto dealers if they favor compulsory automobile insurance, and their answer will probably be in the affirmative. Question them further and it will be found that what they have in mind is a scheme that will force every automobile owner to insure a personal or property damage in case of an accident. Ask the average man in the street for his views, and in all probability he will also give an affirmative answer, but upon investigation it will be found that he has in mind a plan that will compensate everyone who is injured in an automobile accident, irrespective of whether there is criminal negligence or not.

Neither of these commonly held views is correct. Compulsory insurance, as it has been proposed in various parts of this continent is simply liability insurance extending only to the indemnity for damages for which the injured person is legally liable.

**Does Not Cover Negligence**

That is to say, compulsory automobile liability insurance will not provide compensation for persons injured in automobile accidents happening through their own negligence nor in accidents for which some person other than the owner or operator of the motor vehicle is responsible. The importance of this limitation may best be realized by the estimate that in not more than 40 per cent. of the automobile accidents resulting in serious injury to persons, is the owner or operator of the automobile liable in damages to the person injured.

Thus the purpose of a compulsory automobile insurance law is to secure the financial responsibility of a motorist for any injury caused by the operation of an automobile for which he may be legally liable. So strong has been the demand for some protection against irresponsible motorists, and all their attendant ills, that over 30 states of the American union have discussed legislation in various forms on the subject, and three Canadian provinces have actively entered the lists in the matter, although no legislation has been enacted as yet.

**Support Comes From Various Sources**

The support for these various measures and the agitation that they have aroused has come largely from local members of parliament, local boards of trade, police forces, municipal officials, and so forth. There has been virtually no support from insurance companies, automobile clubs, and very little support for compulsory measures from the official seats of government.

Take for example the case of British Columbia, which is typical. In this province there has been an agitation for some sort of compulsory automobile insurance for several years. Resolutions urging the government to enact a compulsory law were framed by the fire and police committee of Vancouver City, by the Union of British Columbia Municipalities, and by a private member in the provincial legislature. The matter was bitterly opposed by the Automobile Club of British Columbia, and indirectly by the various insurance interests.

During the 1927-28 session the matter came into provincial politics, due to the agitation that had been aroused. A private resolution was introduced, but Attorney-General Manson refused to introduce a compulsory statute as a government measure, and as a result, the matter has been dropped.

**Strongest Case in United States**

The strongest case for compulsory automobile insurance has, of course, been developed in the United States. This is natural, on account of the fact that the automobile accident problem, which is at the root of the matter, is much more aggravated there than it is in Canada. This year alone, twenty-eight States brought forward compulsory automobile insurance laws, and several others had already faced the problem. The crux of the situation seems to lie, however, in the fact that only one state (Massachusetts) has actually enacted a compulsory law.

In effect then, Massachusetts is the only place where compulsory automobile liability insurance is actually being tried out. The law has been in effect there since January, 1927. Any other legislation which has been passed is based on the idea of forcing motorists to prove that they are financially responsible after they have figured in an accident, rather than making compulsory provision before.

All eyes, then, are turned on Massachusetts, especially as there has been a big political row over this law in the past two months.

(The Massachusetts law will be discussed next week. In the meantime consider this an open forum. Whether your interest is that of an insurance company official, a motorist, or a private citizen, your views on this subject will be welcomed.)

## Insurance Inklings

The old Canada Life Building in Hamilton has been sold by the Bank of Montreal to Ryrie-Birks, Ltd., of Toronto. The premises will be remodelled and opened at an early date.

James D. Simpson, formerly assistant manager of the New York office of the Liverpool, London and Globe Insurance Co., has been promoted to the position of manager of the London office. Mr. Simpson was for some time assistant manager of the company at Montreal and later was manager at Toronto.

J. A. Armstrong, Arnprior representative of the Manufacturers' Life Insurance Co., has been promoted to the district managership of Northern Ontario with New Liskeard as his headquarters. Mr. Armstrong takes over his new duties around the first of November.

Recent appointments of the London Life Insurance Co. include that of Arnold Holmes, C.L.U., to the position of manager of the Montreal, St. Lawrence District. Prior to his recent promotion, Mr. Holmes held a superintendency in Hamilton, Ont. Henry W. Barnard has been appointed city manager of the Montreal Amherst branch of the London Life. Mr. Barnard, who has been in the business for twenty years, was formerly with the company in Ottawa.

The Honorable Vincent Massey will address the twenty-second annual convention of the Association of Life Insurance Presidents which will be held at the Hotel Astor, New York, on December 13 and 14. Mr. Massey will address the association on the subject of "Financing Economic Progress."

D. M. Campbell, Maritime manager for the Dominion Life Insurance Co., has recently returned from a trip through Europe.

The Maritime Life Assurance Co. will be in a position to show business in force amounting to $7,000,000, according to a statement made by the directors following the recent quarterly meeting of the board.

Sir Daniel McMillan, LL.D., K.C., M.G., has been elected vice-president of the Great West Life Assurance Co. to fill the vacancy caused by the death of the late G. F. Galt. Sir Daniel was one of the original directors of the company which was formed in 1892 and has taken an active interest in the affairs of the company since its inception. The only other surviving members of the first directorate are Andrew Kelly and R. T. Riley.

D. A. Andrew, B.Sc.A., has been appointed district supervisor for the London Life Assurance Co., with headquarters at Wingham, Ont. Prior to his association with the London Life Mr. Andrew was engaged in the Ontario Department of Agriculture as agricultural representative.

The Standard Life Assurance Co. has recently appointed as local directors of the company in British Columbia, Mr. G. F. Laing, manager of the Bank of Montreal in Vancouver, and Major K. Hamilton White, of the firm Sankey and White of Vancouver.

The Metropolitan Life has just issued industrial insurance policy number 100,000,000. The first industrial policy written by the company was issued in November, 1879, one year less than half a century ago. The total insurance represented by the company's industrial policies amounts to approximately $14,750,000,000.

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## LIFE INSURANCE PROTECTS LENDER IN MORRIS PLAN

### Interesting Experiment Tried Out in Industrial Banking Field

Life insurance companies are finding new fields to conquer with the spread of industrial banking in Canada. This type of banking although in operation for some years in the United States is comparatively new here. Only in the last year or so have Canadian companies been established to transact this type of business solely.

The industrial banker is prepared to accept a large number of small loans ranging from $100 to $5,000, in fact it is the small loan of this type that he seeks. He aims to make it possible for the wage earner and salaried man to borrow money for worthy causes, make repayment by instalments, so much a month or week. To secure the loan the applicant must satisfy the industrial banker of its worth and give his note for the amount. The note must be backed usually, by two co-makers who agree to reimburse the banker in the event of the default of the borrower. Now these two co-makers may be quite satisfied that the borrower will be able to meet his obligations, that his job is secure and his salary adequate to take care of the loan over a period of a year and thus gradually wipe out the indebtedness. They would, therefore, have no objection to backing the note as they know the man and his position financially. But there is one hazard that they cannot be sure about, namely, will the borrower live until he has paid off his loan? It is here that life insurance enters and provides a solution to the difficulty.

**Use Group Insurance**

The scheme in general use is a group plan under which the borrower is insured for an initial amount of say $200 which amount is reduced monthly by one-twelfth of the initial amount. Individual policies are issued for each borrower and in the event of death during the year the amount of the insurance becomes payable to the industrial banker and the loan is wiped out.

The advantage of insurance to all concerned in the transaction—the banker, the borrower and the co-makers—is apparent. The banker is assured of his money should the borrower die, without having to call upon the co-makers, a procedure which, while within his rights, might at times prove difficult, costly and lengthy. The borrower welcomes it because he sees a way to safeguard the position of his co-makers, who after all are the means of his obtaining the required loan. For a small additional cost their interests and his family are secured against a call in the event of his death. When carrying the insurance he knows that his debts will be wiped out should he die before repayment is made. The co-makers naturally are in favor of the insurance for it removes the one hazard that they cannot estimate. They can judge their friend and his position but not his span of life.

**Such Banking Spreads Out**

The application of life insurance to the field of industrial banking, as a safeguard for the interests of all concerned is a development that is believed will have considerable expansion in Canada in the near future. Its spread will come naturally with the growth of industrial banking, a business that is making rapid strides already. The first company of this nature was organized in Quebec under a provincial charter. In 1928 a company with a Dominion charter was established in Toronto. The Dominion charter is significant in that it suggests that the operations of the company will in the future be extended to other provinces in Canada. The Quebec company is branching out and will shortly enter Ontario, it is said. All of which goes to show that Canadians are apparently adopting the principle of industrial banking.

While the field in Canada is limited just now, the possibilities may be judged by observing the acceptance of this type of banking in the United States. The Morris Plan Banks, the National City Bank and industrial departments of many other banks are experiencing a growing demand from the wage earner and salaried man, for the privilege of securing loans which may be repaid on the instalment plan. The possibilities for the adoption of a life insurance plan to protect the interested parties are being realized by the insurance companies and this new field is being given much attention both in Canada and the United States.

## Life Underwriters Hear Address on Sales Topic

The subject of "Making the Sale" was dealt with by Ernest W. Owen in his address before the October luncheon of the Life Underwriters Association of Toronto. Mr. Owen is manager at Detroit, Mich., for the Sun Life Assurance Company of Canada.

The first factor to be considered, said Mr. Owen, is the man himself, for as he thinks, so he will be. The insurance man must study closely the approach, the presentation of his case and just how to close the deal effectively. Above all he must eliminate fear, and get his prospect thinking about the problem being placed before him. Mr. Owen enlarged upon methods of approach, presentation and closing, giving illustrations from actual experience.

The meeting was attended by a large number of the association. Members now number 401 as against 323 in 1926 and about 300 in 1925. The membership is constantly increasing and there appears to be a growing tendency on the part of the fraternal societies to take a larger interest in the association. Nine new members from the Ancient Order of Foresters were admitted at the October meeting.

The association also elected its representatives for the Dominion executive, A. D. Anderson, C.L.U., (Aetna); G. Angus German, C.L.U., (Crown); and F. C. Hoy, C.L.U., (Canada), being chosen.

## Ferguson to Speak to Insurance Officers

Hon. G. Howard Ferguson will be the guest speaker at the luncheon held in conjunction with the thirty-fifth annual meeting of the Canadian Life Insurance Officers' Association at Toronto on Friday, Nov. 16. The premier will address the association on the subject: "Research—A National Need."

The morning session of the meeting will take place in the board room of the Canada Life. Three addresses have been arranged for this session. T. G. McConkey, president of the association, will speak on "Prosperity and Its Responsibilities"; R. H. Coats, B.A., F.R.S.S., Dominion statistician, will address the meeting on "Statistics—the Measure of Progress"; and E. A. Macnutt, treasurer of the Sun Life, will deal with the subject of "Life Insurance Investments—Their Part in Canada's Growth." Following these addresses the meeting will be thrown open for discussion.

The meeting terminates with the executive session on the afternoon of the sixteenth, when the various reports and general business will be disposed of.

## Insurance Problems

*Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.*

**Pioneer Fire**

I am considering the purchase of some stock in the Pioneer Fire Insurance Co. Will you please give me any information you have with regard to the extent of the company's business and the possibilities of the stock as an investment?

The Pioneer Fire Insurance Company was organized early last year and is operating under Dominion license with head office at Winnipeg and with a branch at Calgary.

The company is backed by a strong Board of Directors and the men in charge have had considerable experience in their particular field.

The company writes business at tariff rates and to the best of our knowledge is doing well for a young company.

As far as investing in its stock is concerned, if you do so you must look on it as a long hold, say for five or ten years as in the highly competitive fire insurance field the way of a young company is an uphill one.

**Farmers' Mutual Fire**

Will you please give me any information you have concerning the Farmers' Mutual Insurance Co., which does business in and around Beaverton, Ont. I understand that the company charges a low premium rate and takes a note from the policyholder for a varying amount—$100 to $300—which is collectable in the event of a very heavy fire loss. Is this the customary practice of companies of this kind?

We have not any record of The Farmers' Mutual Fire Insurance Company, operating in and around Beaverton, Ontario. There are, however, two companies with names somewhat similar to this, operating in Ontario. One—The Farmers' Central Mutual Fire Insurance Company has its head office at Walkerton, and has been established since 1894. The other is The Farmers' Union Mutual Fire Insurance Company with a head office at Lindsay, Ontario, a company which has been in business since 1895.

The Farmers' Central Mutual Fire Insurance Company carried net risks at December 31, 1926, of $33,338,137. The total assets amounted to $947,153.

The Farmers' Union Mutual Fire Insurance Company carried net risks at December 31, 1926, of $24,930,356. Total assets stood at $697,381.

The usual method of operation of these companies is, as you state, to charge a low rate and take a note from the policyholders with the understanding that this note is collectible in the event of a very heavy fire loss. The Farmers' Central Mutual Fire Insurance Company had an unassessed premium note capital of $969,322 at Dec. 31, 1926. This was after deducting all payments thereon and assessment levy. The Farmers' Union Mutual Fire Insurance Company had on December 31, 1926, an unassessed premium note capital of $666,249, after deducting all payments thereon and assessment levy. These two companies have been operating successfully, we understand.

## Dates Arranged For Rockwell Congresses

The annual meeting of the Life Underwriters' Association of Canada will be held in Toronto during the week of February 3, 1929, probably Friday, Feb. 8, the association announces.

The association have arranged also to hold the 1929 Rockwell Congresses upon the following dates:

Charlottetown, P.E.I., Jan. 7, 8 and 9.
Halifax, N.S.—Jan. 10, 11 and 12.
Montreal, Que.—Jan. 14, 15 and 16.
Ottawa, Ont.—Jan. 17, 18 and 19.
Toronto, Ont.—Jan. 21, 22 and 23.
Hamilton, Ont.—Jan. 24, 25 and 26.
London, Ont.—Jan. 28, 29 and 30.
Fort William, Ont.—Feb. 12.
Winnipeg, Man.—Feb. 14, 15 and 16.
Regina, Sask.—Feb. 18, 19 and 20.
Saskatoon, Sask.—Feb. 21, 22 and 23.
Calgary, Alta.—Feb. 25, 26 and 27.
Vancouver, B.C.—March 4, 5 and 6.


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# CANADIAN MINING NEWS

*Regular Weekly Department of The Financial Post*

**Consolidated Smelters Option Brings Saskatchewan to Fore**

**Merger of Hollinger-McIntyre Would Hold Gold Situation**

## Smelters' Hall Option Brings Saskatchewan Into Mining Industry

### Company Takes Over Important Find of Nickel-Copper Ore

### WILL DIAMOND DRILL

### Huge Outcrop of Practically Solid Ore Contains Big Tonnage

Operation of the Hall property at Rottenstone Lake in Northern Saskatchewan, west of Reindeer Lake on the boundary between Saskatchewan and Manitoba, definitely lines Saskatchewan up with the metallic mineral provinces. Prince Edward Island is now the only province that is outside the mining picture.

Consolidated Smelters has taken a working option on the Hall group and is now rushing in supplies. It is not known what the terms of the option are but it is known that Manitoba Basin for a time considered taking the option only the terms were rather stiff involving three-quarters of a million cash and a tremendous diamond drill campaign. This company since acquired two large groups of claims adjacent to the Hall.

Reports from The Pas, Northern Manitoba, are quite optimistic about the Hall property. They say that:

Alex. Daigle, representing the Consolidated Mining and Smelting interests, has gone into Rottenstone Lake with eight men who are to begin actual drilling operations as soon as the machinery can be transported there after freeze up, by way of Prince Albert.

Dick Hall states that he has made an arrangement eminently satisfactory in its terms, whereby both the properties are to have preliminary work done forthwith. They are taking in four tons of supplies and material by airplane at the present time.

Hall has two properties, one at Lac La Ronge and the other at Rottenstone. The former was staked first and consists of thirteen claims in length. Details are not immediately available of the size of the group at the present time. Ore taken from number seven claim, the Victoria, gave copper assaying two per cent. across a width of a hundred feet. Lenses of high grade silicious ore over a width of six feet show twenty per cent. copper. An experienced mining man, representing the Manitoba Basins, who went into Rottenstone Lake in July came out with the story that the finest strike ever made in the north country was to be found there. He brought reports which could not be verified, that assays showed values of sixty-five to hundred and thirty-five dollars to the ton. Samples displayed look quite promising. Pete Davidson, who has had a varied experience in prospecting, mining and diamond drilling in many localities since the early Cobalt days, who predicted the probable outcome of operations on Sherritt Gordon, and who is familiar with the areas around both the Hall properties, says that the outcropping at Rottenstone Lake resembles greatly that in the eastern mining area which gave the Dome Corporation its name. Davidson says that in the Rottenstone Lake Dome he estimates that there is twenty thousand tons of ore visible, outcroppings of which are shown from the waters edge to a height of forty feet and across an area a hundred and ten feet in width and a hundred and forty feet in length.

Three assays made by different experts, one in New York, one in

**Optioned by Smelters**

Big outcrop of ore on Hall property, Rottenstone Lake, Northern Saskatchewan. This body is 110 ft. by 160 ft., and is believed to be solid ore. The engineer with the hat on is Albert Bone, manager for Manitoba Basin. He acquired adjacent ground for his company.

Colorado and the other in British Columbia, corroborated each other, and show values of three to seven per cent. of copper, the same of nickel and half an ounce of platinum to the ton. Values are stated to be ninety-one dollars to the ton. It is stated locally that the Newmont interests of New York were unsuccessful negotiators for the development privileges which are now in the hands of the Consolidated Mining and Smelting.

## BATHURST VEIN OPENED ON 300

### Good Values Are Secured In 50-Ft. Drift So Far Driven

By Staff Editor

HAILEYBURY, Ont. — Bathurst Mines has intercepted No. 3 vein on the 200-foot level and opened up a rich ore shoot. The first round taken out on each side of the cross-cut showed finely disseminated free gold across the full width of the drift. Mine Manager Frank Carnegie states two faces are now 50 feet apart with visible gold showing in both faces over the whole width of the drift. An assay taken from the schist on the east face ran $10.55.

Mr. Carnegie states that this new development definitely proves that No. 3 vein goes to depth and as the drive is heading for the Golden Sidewalk there is a good chance of finding rich ore there. It is expected this will be reached after 400 more feet of drifting. A two stamp tremaine mill is being erected and high grade will be run through the mill after Christmas.

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## NICKEL FOLKS NOW NOTIFIED OF NEW PLANS

### Statement Makes No Mention of Proposal to Merge with Mond

### CONTINUE AS BEFORE

### Officers of Canadian Company Will Be Same As Those of New Jersey

Shareholders of International Nickel are being notified to deposit their stock by Nov. 30, if they are agreeable to the sale of the assets of International Nickel Company of New Jersey to the operating company, International Nickel of Canada. A statement going to shareholders over the signature of Pres. R. C. Stanley and Chas. Hayden, chairman, points out that the principal assets and the mines, smelter and refinery of the company are in Canada, and that the company's hydro-electric development, representing an investment of many million dollars, is also in Canada. Also that a "substantial ownership in the company has recently been acquired by Canadian investors who are, to an increasing degree, evidencing their interest and faith in the company's properties and management."

**Canadian Position**

The statement continues: "In view of the extent to which the company is a Canadian enterprise, and in deference to the wishes expressed by many important stockholders, both American and Canadian, your directors have for some time been considering plans for affording its stockholders an opportunity of exchanging their holding company stock for stock of the Canadian operating company, namely, International Nickel Co. of Canada, Ltd., through which all our Canadian properties are now owned and operated.

"After careful study and analysis, the board of directors has unanimously come to the conclusion that there would be advantages in such direct ownership which would permit improving the position of all our stockholders, both preferred and common.

**Exchange of Preferred**

"To effectuate this result, a plan has been approved by the board embodying the following features: International Nickel of Canada, which holds, owns and operates the mines, smelter and refinery, is being vested, directly or through stock ownership, with the remaining properties and business of the New Jersey company and is being recapitalized so that upon completion of the exchanges of stock hereinafter provided for, it will have outstanding, in respect of the present stock of the New Jersey company, one share of seven per cent. cumulative preferred stock for each share of six per cent. non-cumulative preferred stock of the New Jersey company, and six shares of no-par common stock for each share of common of the New Jersey company."

**Agrees to Exchanges**

The letter says the Canadian company has agreed to make such exchanges if the plan becomes effective and adds that the terms are designed to carry out the board's "conception that any readjustment should enure to the benefit of both classes of stock."

The preferred stock of the Canadian company will be seven per cent. cumulative preferred, entitled to 20 votes a share and on liquidation or redemption to $120 and accrued dividends, and will be non-callable for five years. Present preferred of International Nickel of New Jersey bears dividends at the rate of six per cent. a year, is non-cumulative and is entitled to par in the event of dissolution or liquidation.

In pointing out the advantage accruing to the holders of common stock from making the exchange the letter adds :"It is believed that under the new capital structure now contemplated there will be opportunity to effect material savings, promote profitable expansion and substantially increase earnings."

**Deposit Shares**

To effectuate the plan, a deposit agreement, dated October 30, 1928, has been prepared with Charles Hayden, J. W. McConnell and Robert C. Stanley, as a committee, under which J. P. Morgan & Co., New York, and Royal Trust Co., Montreal and Toronto, are named as depositaries.

The depositaries will issue transferable certificates of deposit for all stock deposited for exchange under the plan. Immediate application will be made to list the certificates of deposit on the New York, Toronto and Montreal exchanges, and, when the exchanges are effective, to list the stock of International Nickel Co. of Canada upon these exchanges.

**Means No Changes**

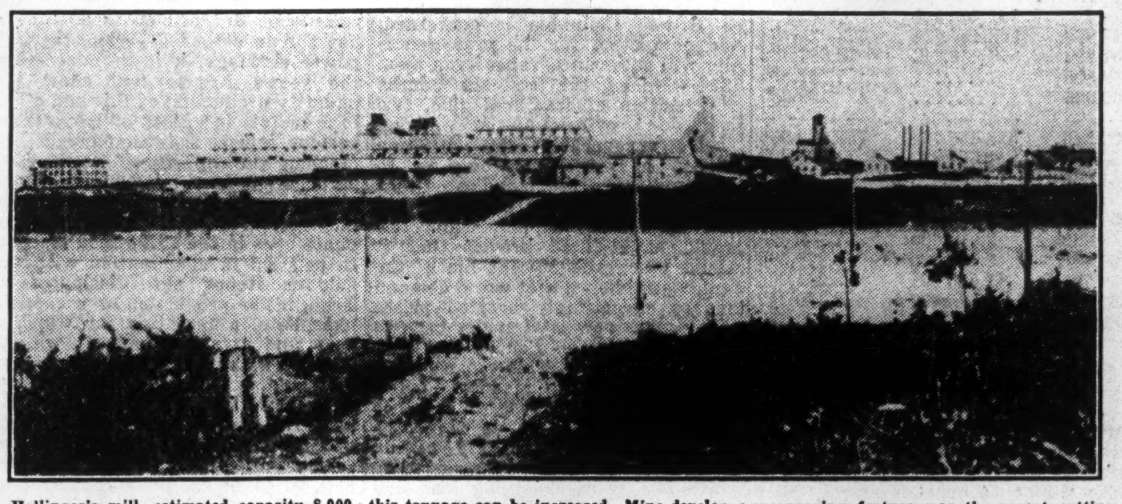
The letter states that stock of the Canadian company which is not taken up under the above exchange offers will be held by the New Jersey company for ultimate benefit of such stockholders as prefer to retain their present stock and adds that the date when such stock will be distributable through corporate action of the New Jersey company is problematical.

The plan, according to the letter, does not contemplate any relinquishment by the present management of their activities, as the officers, executive committee and directors of the New Jersey company will assume substantially corresponding positions in the Canadian company.

### Plant for Bobjo Has Been Ordered

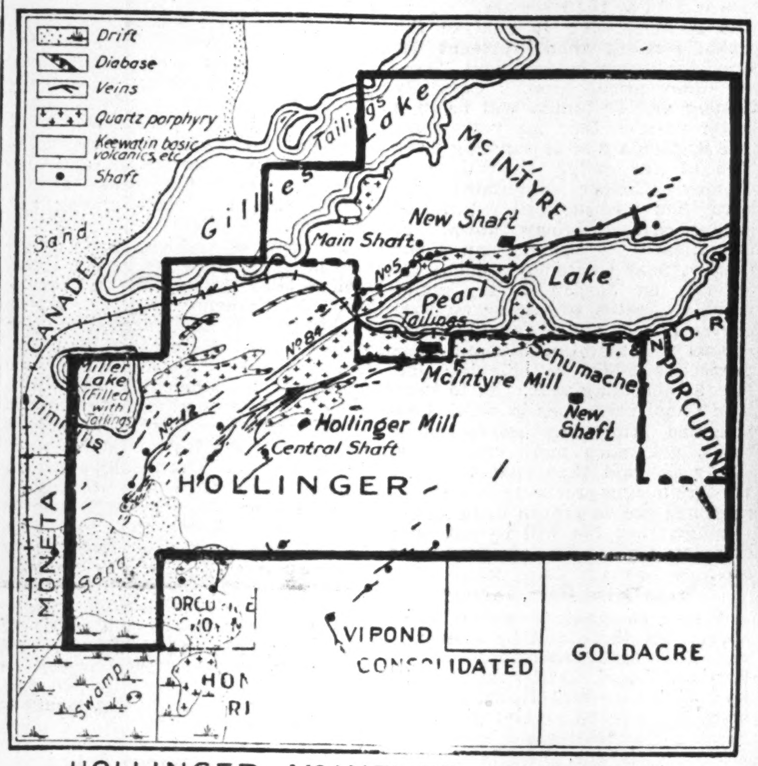
Diamond drilling for structural information is being done on Bobjo Mines, Confederation Lake, in the Red Lake area. A mining plant is being taken in and shaft sinking will proceed at once. Bobjo surface showing is the richest found in the area to date.

## Surface Plant of Two Big Gold Producers



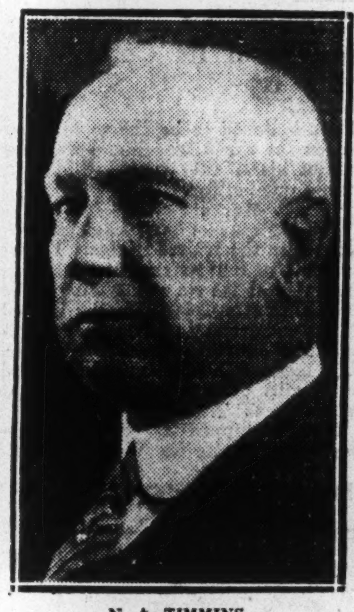
Hollinger's mill, estimated capacity 8,000 tons daily, is only handling 5,000 tons, and for the time being there is no indication that this tonnage can be increased. Mine developments are going deeper steadily, making it more difficult to get ore to the mill. An encouraging feature was the recent cutting of an excellent new vein in the deep Schumacher shaft.

McIntyre's mill is now handling around 1,500 tons daily, and shareholders have been waiting, rather impatiently, for the management to announce that the mill will be increased. It is by no means certain that the mill will be increased as ore reserves must be doubled to justify consideration of such a move.




HOLLINGER-McINTYRE GOLD AREA
Scale of Feet
3000 2000 1000 0 3000

**Hollinger President**



N. A. TIMMINS, president of Hollinger Consolidated Gold Mines, Canada's leading gold producer.

**McIntyre President**

J. P. BICKELL, president of McIntyre Porcupine Mines, as well as a number of others.

## ISSUE DETAILS OF FALCONBRIDGE NICKEL VENTURE

### Company Has Hopes of Getting Rich Copper Values at Depth

While details of the organization of Falconbridge Nickel Mines have been announced, the details of the position of Sudbury Basin in this venture and the possible rights that might go to Sudbury Basin shareholders are being withheld for the time being.

It is generally expected that Sudbury Basin will hold quite a substantial position in the enterprise, estimates running as high as 42 per cent. It is understood that an offering of Falconbridge treasury shares will be made shortly and that the stock will come on to the market at $5.

Falconbridge is capitalized at 5,000,000 no par shares. The company issued 2,750,000 shares for the property while $250,000 working capital has also been secured in issuing these shares. There is left in the treasury of the company 2,250,000 shares.

The official statement says that when present arrangements are completed the company will own the following properties:

1. The Longyear claims in Falconbridge township, district of Sudbury, Ontario, have an ore zone extending continuously for 6,500 feet in length and over five million tons of nickel copper ore blocked out by drilling to a depth of about 500 feet.

A shaft is now being sunk to develop this mine in depth to determine if there is an enrichment similar to that found in the Frood Mine of the International Nickel Co. The geological conditions at the Longyear property indicate that the chances of finding such an enrichment at depth are favorable.

2. Miscellaneous claims along the western and northern nickel ranges, of which those situated near the Strathcona Mine appear to be of particular interest.

### Important Find on Stewart-Abate

Rather interesting developments have taken place recently on the Stewart Abate property in Munro Township, Northern Ontario. Surface work has revealed a new mineralized zone of considerable width and running through this are six different quartz veins, two to eight feet wide. The whole zone is highly mineralized and a considerable amount of free gold has been found in the quartz. As a result of this development the company has acquired an additional eighty acres to protect itself on the dip and strike of this body.

## TO START SINKING ON WOMAN LAKE

### Company Negotiating for Funds for Big Mining Operation

Ontario Woman Lake Gold Mines has completed plans for splitting the stock of the old company on a 10 for one basis and has negotiations under way for financing in a substantial way.

This company owns two large groups of claims in Woman Lake area. The Portage group contains 440 acres, recently added claims having given an additional length on the veins of a half mile. This property will be first developed, Pres. M. C. Cowan informs shareholders in a letter in which he asks shareholders to assist his plans by pooling their stock. It is proposed to launch sinking operations.

At Group B, known as the Medicine Rock claims, and situated close to Jackson-Manion and Mint-Ore properties, the company discovered a well-mineralized vein showing considerable free gold on the west shore of the lake, and in strike with the Jackson-Manion property. Several samples run from this vein gave good values. It may be that the directors later on will advise the sale of these claims to another company, as such a proposition has already been under consideration.

On the lower group of claims which consists of twelve of approximately 480 acres, a strong vein has been opened up, and sampled at different points and it gave some encouraging values, but not enough work has been done to determine their real merit. The company may consider the advisability of turning these claims into another company.

The engineer's report states that the results of diamond drilling, and the inspection of trenching, stripping, tying in assay results with local geology and a general cruise of the area warrants purchasing of an up-to-date mining plant for sinking to 1,000 feet on the north property, and with this object in view, the directors are arranging and hope to be able to announce at an early date, that financing is completed to carry out the work.

### Proved 450 Million Yards of Pay Dirt

After nine months' work the testing out of the property of McLeod River Gold, a placer venture on the McLeod River, west of Edmonton, has been completed. This has definitely proven that there exists 450,000,000 cubic yards of payable gravel. L. E. Drummond, M.E., who has been in charge of the work, will be in Toronto shortly to discuss with New York engineers the question of the installation of dredges.

### High Values Secured on East Bay Group

Samples sent to Toronto from the East Bay Mines property at Red Lake reveal some high values. The large galena vein which was opened up recently and a channel from this shows silver 69 ounces, lead 36 per cent., and zinc 2 per cent. This runs about $80 to the ton. The vein is fifty feet wide where opened up.

## Would Erect Zinc Refinery in N. Quebec

It is understood that there are a couple of engineers representing outside interests at Abana property at present making an examination. One of these is said to represent American Metals. Reports abroad that this company was going to purchase control of Abana are rather far-fetched. This company is a buyer of ore, not mines. Its interest in Abana is the same as it was in Noranda and Amulet. It is interested in learning how much zinc there will be available from these ores, and if there is a sufficient tonnage forthcoming from these ventures, the company would consider the erection of an electrolytic zinc refinery to treat the zinc concentrates they would produce. Where such a refinery would be erected is not known. It would have to be adjacent to a large supply of fairly cheap power.

### Break in Malartic Raises Ottawa's Ire

Ottawa is not pleased with the break in the price of the shares of Malartic Mines, and promises to bring the matter to the front at a later date. It is stated that between Ottawa and Amos control of the company is held and that Toronto interests are sitting on the side lines. Some of the Ottawa directors are loud in decrying the break in the market, declaring that there was no justification for it.

**List McMillan Gold**

McMillan Gold Mines, which has a property at the south west end of Sudbury Basin, will list its shares on Standard Exchange. The operation is controlled by a New York group.

## Hollinger-McIntyre Merger Would Mean Many Economies

### Excess Tonnage of Hollinger Mill Would be Employed and Save McIntyre Making Any Expansion at Heavy Cost

### VEINS RUN FROM ONE PROPERTY TO OTHER

### Cost of Deep Mining Would be Cut by Eliminating Dual System of Costly Workings — Both Companies Would Benefit

Reports are that serious consideration is being given to a possible merger of McIntyre Porcupine Mines and Hollinger Consolidated Mines. A few weeks ago The Financial Post suggested that these mines should be merged. Nothing official has come out from either side and is not likely to for some time, if negotiations are on.

From the standpoint of the gold industry of Ontario and with a view of introducing numerous economies in operation, there is much to be said in favor of amalgamating these two properties. There are also other mergers, especially in Kirkland Lake, of which the same could be said.

To better understand the situation that exists between McIntyre and Hollinger, the accompanying map should be studied. It shows the relation of the properties to each other and also indicates the trend of the vein system which is north-east, south-west, catercorner on the two properties. Consolidation would give a possible length of 12,000-ft. on the vein system.

**Expenditures Heavy**

At the present time both companies are carrying out very heavy expenditure on deep development. Both are spending large sums on long crosscuts up to each other's boundary seeking extensions of each other's veins and both are drifting on these veins.

Hollinger has an over-developed mill. To-day the mill is about 3,000 tons over the mine capacity. Some of this slack may be taken up later if the deep development of the mine improves and works out better than it has. Meanwhile, McIntyre is pushing ahead on development and if results are up to expectations, it may be that the company will scrap its old mill, now handling about 1,500 tons daily and erect a new one of around 3,000 tons capacity, a tonnage just equal to the present excess capacity of Hollinger.

**New Mill Not Certain**

It is by no means certain that McIntyre will go ahead with mill expansion, Pres. J. P. Bickell told shareholders at the last annual meeting that ore reserves would have to be double the present total to justify any such move and it is quite doubtful if such an increase has taken place. In fact there is just a little feeling abroad that deep development on the McIntyre has been a little disappointing also.

From a mine standpoint, some engineers express the opinion that amalgamation would be of more benefit to Hollinger because of the large tonnage of low grade ore available. They say that this low grade could be mixed with the high grade of Hollinger and McIntyre and as a result the amount won from Hollinger ground would be much greater. McIntyre has never given out any figure on low grade on its property but it is believed that there is also a considerable tonnage which has never been considered.

**McIntyre Situation**

"What benefit would a merger be to McIntyre. I can see that it would benefit Hollinger," said one engineer, in discussing the matter. He said that the reason he could see little benefit for McIntyre was that he did not believe that there would be any increase in the McIntyre mill. He made the point that the McIntyre veins are few and that drawing 1,500 tons daily, means a tremendous hole made in the mine in a year. He also made the point that McIntyre was getting down pretty deep, making it increasingly difficult to get ore to the mill. This was proven by the Hollinger experience, though it is said that the major portion of the Hollinger decline was due to a fall in the grade at deep levels.

It is interesting to note, in considering the two properties, that Percy Hopkins in his 1921 report on Ontario gold deposits points out that many veins are found extending from one property to another. For instance, veins 64, 84 and 91 on Hollinger are veins 1, 7 and 5 of the McIntyre system. Veins 84 and 5 are marked on the accompanying map. To-day both companies must work up to the boundary of its neighbor to mine these veins.

## Good Geology Says Engineer of Ten Groups

Dr. W. A. Thomas, an English engineer has returned to Toronto after making an examination of the tin property of Manitoba Basin. His report should be available in a few days and should be followed by an announcement of the program of exploration which will be undertaken by the Timmins interests.

It is understood that Dr. Thomas was much taken with the outcrops and also the geology and will recommend that the work of the immediate future consist of an intensified geologizing of the area. The ore occurs in the contact with the pegmatite dykes and the keewatin greenstone and it is these areas that must be sought out in seeking the continuation of the ore. Indications are that the discovery will cover a considerable area.

**McIntyre and Hollinger Balance Sheet Figures Present Interesting Picture**

| McIntyre | | Hollinger |
|---|---|---|
| $4,000,000 | Capitalization | $25,000,000 |
| 798,000 | Shares issued | 4,920,000 |
| $5 | Par value | $5 |
| 21.50 | Present price | 9.50 |
| $17,157,000 | Market valuation | $46,740,000 |
| $1.00 | Dividend rate | 65c |
| $ 798,000 | Yearly dist. | $ 3,198,000 |
| $32,809,698 | Total prod. | $129,719,431 |
| 3,713,913 | Tons | 15,520,820 |
| $ 8.83 | Rec. per ton | $ 8.35 |
| $ 3,987,635 | Gross last year | $14,548,000 |
| 1,800,363 | Net last year | 6,648,309 |
| $ 2.25 | Per share | $ 1.35 |
| $10,997,658 | Assets | $36,737,606 |
| $ 2,320,905 | Current | $13,935,063 |
| $ 894,993 | Investments | $ 1,087,000 |
| $ 7,693,447 | Fixed | $22,801,190 |
| $ 88,313 | Deferred | $ 763,890 |
| $10,997,658 | Liabilities | $36,737,606 |
| $ 272,846 | Current | $ 370,911 |
| $ 3,563,555 | Surplus | $11,466,246 |
| $15,376,165 | Ore reserves | $60,225,539 |
| 1,841,215 | Tons | 7,432,899 |
| $ 8.35 | Per ton | $ 8.10 |

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# Merging Nickel Companies Places Ore Worth Billions Under the One Operation

## Twelve Mines, Two Smelters, Two Refineries, and Power Companies Involved

### MOND BROACHED IT

### Approached New York But Did Not Make Progress —Canadian Coup Helped

**Combined Assets of International Nickel and Mond Nickel Total Over $110,000,000**

| | Mond | Int. Nickel | Total |
|---|---|---|---|
| Property— | | | |
| Canada | $ 9,467,370 | $68,456,428 | $77,923,798 |
| Written off | 707,290 | 14,960,242 | 15,667,532 |
| United Kingdom | 7,342,805 | ........ | 7,342,805 |
| Written off | 169,035 | ........ | 169,035 |
| Present value | $15,932,644 | $53,496,186 | $69,429,936 |
| Other Inv. | 10,053,550 | 1,571,277 | 11,624,822 |
| Current | 12,931,665 | 19,303,698 | 32,235,308 |
| Liabilities— | | | |
| Common | $ 6,000,000 | $41,834,600 | $47,834,600 |
| Preferred | 18,750,000 | 8,912,600 | 27,762,600 |
| Debentures | 7,125,495 | 2,100,000 | 9,225,495 |
| Current | 6,996,705 | 1,665,001 | 8,661,706 |
| Reserves | 1,125,000 | 995,457 | 2,120,457 |
| Surplus | 1,986,235 | 18,863,503 | 20,849,738 |

Merger of Mond and International Nickel will bring about twelve mines under the one control. Just what the ore reserves of these properties are estimated at in dollars and cents, has not been revealed. The only statement that has ever been given out in this regard is that International had sufficient nickel-copper ore in sight to last it 100 years and Sir Alfred Mond last year told shareholders that the companies' ore reserves were sufficient to last for 50 years. It is not believed that either estimate gave any consideration to the Frood deposit for at that time and even now, the Mond deposit could not be estimated only in the roughest and most general way. Besides the mines, two smelters, two refineries, several power developments, two or three rolling mills and fabricating plants, coal mines, etc., are involved in the deal.

The situation at the Frood Mine, now a big factor in the deal, is now well known. Both companies have a portion of it. On surface International Nickel has the ore body stretching acres its 480 acres for a mile. The body dips northwest and the middle of the ore body on surface is but a short distance southeast of the southeast corner post of Mond's 160 acres. Around 900-ft. depth the whole width of the ore body, around 100-ft. is on the Mond property for a short distance only and at 2,000-ft. it shows a length of 1,200-ft. It has not been worked out as yet what the length of the ore body is on Mond's deepest level, 3,800-ft.

**Means Big Saving**

The way it is working, however, the deeper the workings the more of the ore body is over on the Mond 160 acres and the less remained on International Nickel's two 160-acre blocks, the ore body having passed from the southeast 160 acres when it crossed the corner into Mond. A sketch made by The Financial Post 18 months ago, to illustrate the situation, is reproduced to make a better understanding. It will also be noted that had the dual operation continued the International would have required a double system of workings to mine its two ends of the ore bodies. Now, with the whole ore body under one control, drifts can be run from one end of the ore body to the other. The operation will be well equipped for hoisting as Mond sank a large shaft to 4,000-ft. and International Nickel sank a shaft slightly larger than the large one at McIntyre. In fact, it is the largest shaft in the north country.

**Mond Has Three Others**

Mond Nickel, outside its Frood holding, has three mines, Garson, Levack and Worthington. The Garson Mine is the most easterly of the nickel properties that will go into the merger and is a few miles west of the Falconbridge Mine, which is being developed by Sudbury Basin interests. The Garson deposit is a very large one and a good grade of ore. It is the principal source of Mond's present production.

Levack, the most northerly of all the nickel mines, was a great problem. It was diamond drilled and abandoned several times. Finally Oliver Hall, now general manager of Mond Nickel, worked out the puzzle. The dimensions of the ore body on surface are about the same as the huge Lucky Strike ore body which the Buchans has developed in Newfoundland, being about 500 feet square.

**Worthington Finished**

Worthington Mine, of Mond, is down in the southeast corner of Sudbury Basin and it was this mine that caved in a year ago. At that time an effort was made to minimize the loss as it is impossible to further work the mine, except perhaps through sinking a new shaft and even then it would be a pretty treacherous operation. However, it is believed that just at the time the cave-in came, the company had burst into some very rich platinum ore on the deep levels. This is said to have come at a time when the abandoning of the mine was being considered. The cave-in settled matters, for the time being at least.

**Has Famous Creighton**

International Nickel draws the bulk of its ordinary ore from the Coppercliff Mine. However, its large holding is the Creighton, which is an immense body and which even at this date continues to open out in a surprising way. It is understood that the ore body, as now proven, is at least three times what it was at first believed to be. There have been reports that deep development on the Creighton has opened up copper values equal to that of the Mond. This is doubted. The Creighton ore runs about 4 per cent. nickel, about double that of any other mine.

**Has the Murray**

Scattered all along the norite contact, right from the Worthington, northeast, to the Stobie, which is beyond the Frood, International Nickel has huge nickel deposits partially indicated. Southeast of the Frood a couple of miles is the huge British American Nickel deposit, known as the Murray, a great low grade body that has been well developed and is in a position that it can be mined at any time. This belongs to International Nickel who bought it from the liquidators in a roundabout way, having a third person step in and buy it up. The tonnage of ore is estimated in the millions.

As far as the writer knows there is really only one nickel mine that is worked out that is the Victoria Mine which was the original property developed by Mond Nickel. A couple of years ago Mond abandoned this operation and moved its plant and equipment over to its portion of the Frood.

# Economies in Production Will Result from Merger

## Big Saving Will Be Brought About by Eliminating Dual Operation — Mond Found Its Costs Were Creeping Up

It is difficult at this time to attempt to line up how the merger of Mond and International Nickel will work out. There is a feeling that there must be a host of agreements and stipulations that each group will have set out, coupled with the fact that in the past neither company has been generous in the details revealed to shareholders, neither having given any more information that it really had to.

It is generally believed that the first suggestion for a merger came from Sir Alfred Mond. Evidently when broached, first to the New Yorkers in control of International Nickel, it fell on deaf ears. That would be before the Frood property came so strongly into the picture.

A possible way to a merger revealed itself last year when Montreal became a heavy buyer of "Nickel." The Financial Post said then, and still believes, that C.P.R. interests were behind the movement at that time. Incidentally that buying movement revealed clearly that the control of the company was on the street. It was not until months later, however, that the coup was planned to go out for complete control of the stock and, if successful, then it would be merged with Mond. A tentative agreement, it is understood was made with the Mond Co. last May.

Working out of numerous economies and much higher profits for all, is believed to be the underlying reason for Sir Alfred Mond wanting to cast his smaller company in with its big competitor.

**Market in U. S.**

The big market for nickel was developed in the United States. To get its share of that market Mond Nickel has to establish its own rolling mills and fabricating plants in the United States and employ an army of experts to work out these uses for nickel. This meant a heavy expenditure and practically duplicating the plants of International Nickel.

Mond's shipped its combined copper-nickel matte to Wales for refining and when this process was completed had to ship the raw material for its United States rolling mills back across the Atlantic to United States.

For years Mond boasted as having the most economical and effective refining process for the extraction of nickel and also recovering the precious metal content, mostly platinum. But the development of the large electrolytic refinery of International Nickel at Port Colborne resulted in Mond's process being outclassed in both economy and in recovery.

In addition, besides having to maintain a second sales organization in the United States, there were numerous other economies, besides eliminating competition, that made the merger desirable from the Mond viewpoint.

**Frood Changed Situation**

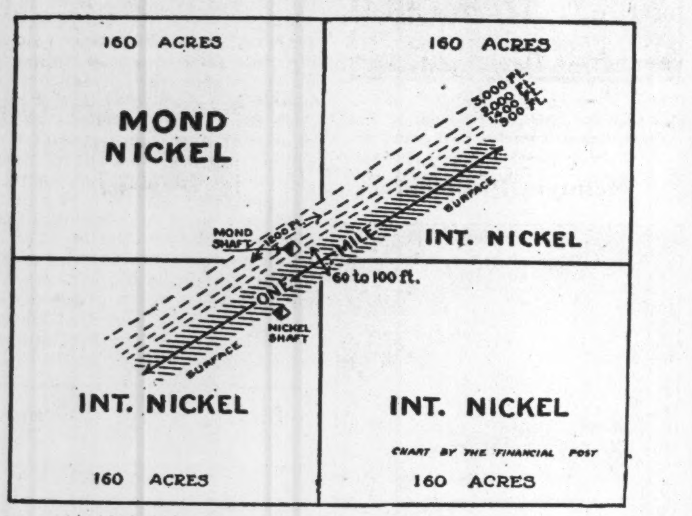
Sir Alfred Mond, now Lord Melchett, was evidently not making much progress when the Frood Mine and its division of the ore body between the two companies, entered the picture. Montreal interests soon got a line on this development and the fact that the ore body was so rich in copper and precious metals, and started buying the shares. It is believed that the interest in Montreal was awakened in the venture by the fact that some nickel officials felt that it would be in the best interests of the company and make for a better understanding with the people of Canada if Canadians could be induced to take an interest in its securities. It is now quite evident that this worked out much better than they ever dreamed of.

Evidently rebuffed in New York, it is believed that Sir Alfred Mond turned to Montreal. He may have been attracted by reports that Canadians had quickly accumulated enough stock to have control of Nickel. This may not have been the case but it was estimated by one in close touch that about that time (August, 1927) about 35 per cent. of International stock was in Canada.

**Agreed With London**

From then on it is apparent that there was a working agreement between London and Montreal and perhaps with some interests in New York outside of those in control of the company. The accumulation of the shares, building for control, went on slowly and steadily. It can now be seen that New York "shorts" helped Montreal in its battle very materially, giving up a great amount of stock at prices below what it could otherwise have been acquired at. New York was a long time in seeing Nickel on other than a then earnings basis and this, of course, did not justify the price. Since then, however, earnings have leaped so that the then existing prices, around 75 and 80, are more than justified. Montreal says that leaving possible Frood profits out of the picture present earnings of International Nickel quite justify the present price level.

**Position of Frood Mine Ore Body**

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# COPPER OUTPUT ON COAST LOOMS BIG FOR FUTURE

## Present Year Will Be Marked By Big Jump in Output

From Our Own Correspondent

VICTORIA, B.C. — Copper has been the outstanding feature of market stability during 1928, in so far as British Columbia is concerned, and production for the year generally will show an advance even upon 1927. During the first six months the position of lead and zinc, two leaders in provincial output, was distinctly unfavorable; the situation latterly has much improved as to lead, and cause now is indicated that zinc too will shortly be on its old footing. As to copper, while few would have dared predict that it would touch the 15-cent mark, the fact is established that world demand has so surprisingly boosted prices that copper now is virtually back to a pre-war basis of London and New York quotations. This means especially much to Canada's Pacific province, although the importance of the other base metals cannot be be discounted, particularly having regard to Consolidated's production. Until late years, bringing lead and zinc conspicuously forward, copper was the foundation of British Columbia mining emphasized by the positions of Granby and Britannia in their respective operations. Copper holds premier place and the demand for copper is the barometer of prosperity or adversity for the mining industry in British Columbia.

**Copper Held Up**

Copper production in British Columbia has climbed from 56,918,405 lbs. in 1916 to 89,202,871 lbs. last year, this advance being accomplished despite price fluctuations and declines to a point at which continuance of operations seemed only possible with considerable loss. Fortunately through metallurgical improvements and rigid economies at Britannia, Granby and Trail, they all have kept the flags flying and carried on, and it would now seem certain will enjoy their reward.

It is interesting to analyze the probable result should present demand for copper hold without lowering the price level. Certainly Granby and Britannia will be in a better position than for years past, and Britannia now is handling 5,000 tons of ore daily. Operations at Allenby (Copper Mountain) also have been pushed until substantial production there is now shown. The Consolidated is opening up Coast Copper, near Quatsino, and has the Sunloch on Jordan River, giving notable impetus to mining on Vancouver Island; and if favorable conditions are maintained, both these properties might be shipping during the oncoming year. As to Portland Canal properties in which Consolidated lately has become interested, not much more can as yet safely be said than that they are very promising prospects and, should economic ore be proven in sufficient tonnage, they too will be put on a shipping basis with minimum time loss.

**Many New Ones Coming**

Among so many properties being opened up, there will be some new and important producers. In the Portland Canal district, as illustrative of the several fields, development has reached a point giving assurance of at least one or more zones of commercial ore. Douglas Lay, departmental engineer with headquarters at Hazelton, has been busy this season in the Skeena and Omineca divisions and reports several properties giving assurance of small scale production at least, with several others promising to become substantial contributors to the mineral production totals for the province and the Dominion. Mr. Lay also has been in the Peace River area quite recently and the department is awaiting his report with more than normal interest as to the mineral possibilities of that territory, unofficially extolled as of exceptional richness and extended area.

Interest in the Cariboo is by no means dead. This famous field has known its disappointments in recent years, but its pioneers never have lost faith. Many placer leases are held, assessment work on them being done religiously. A number of hydraulic operations are shaping toward active production next year. Engineers' reports recently have justified heightened confidence, and there are reasonable expectations that the gold output from this historic district will shortly show marked improvement.

In the Lillooet, the Bridge River and Cadwallader Creek areas are booming and members of the new Tolmie Government who lately visited the Pioneer mine in the course of their inspection of the Pacific Great Eastern Railway property, looked over the Lorne Group also, glanced at other prospects and were much impressed by what the pioneering operators here have accomplished, and with the future's promise.

Throughout the boundary district, the lower mainland and Vancouver Island the revival is most heartening. Reverted crown-granted claims are being taken up in large numbers. Abandoned mining properties are being re-surveyed with a view to establishing ore reserves overlooked in the past. The advent of the Pacific Tidewater Mines, Ltd., is exerting marked influence on Vancouver Island prospecting and development. This company has abundant money resources and is taking up properties requiring development and promptly establishing their worth or otherwise. Indications are that their enterprise will be rewarded by the proving up at various points of sufficient tonnage of commercial ore to permit continuous operation of an ore reduction plant at Ladysmith.

In the Kootenays the outlook is peculiarly encouraging. At this year's beginning, mills were being erected on a number of properties where sufficient ore reserves had been established to warrant. Since then, these plants have been put in operation—at the Lucky Jim, the Whitewater, the Hewitt, the Ruth Hope and other mines. In the British Columbia Pend d'Oreille also there have been important developments recently, of which more will be heard in the near future.

Touching the outstanding enterprise and activities of Consolidated: Although their zinc production for some time dropped 60 to 80 tons a day for an extended period, through power shortage, it is promised that the year's figures will show the quantity production of this and other base metals in excess of last year's, besides which the company is increasing the capacity of its Kimberley concentrator by 2,000 tons per diem. Consolidated, furthermore, has recently acquired large phosphate beds in the Cranbrook district, to be used in combination with the sulphur fumes now dissipated at Trail, in the production of tricalcium phosphate, a fertilizer for which a near and extensive market will be found in the mid-Canadian wheat belt and elsewhere. Experiments with this fertilizer have been in progress during some time past, at experimental farms and in charge of farmers in districts of divers characteristics, on the prairies more particularly, with gratifying results.

# GREENE-STABELL MAKES PROGRESS IN DEVELOPMENT

## Seek Continuation of Rich Ore Found On 300-Ft. Level

From Our Own Correspondent

AMOS.—The Greene-Stabell Mine was engaged in drifting east on the 600-foot level endeavoring to pick up the rich ore shoot already located on the 300-foot level, when The Financial Post recently visited the property.

Since this mine was reconditioned and opened up by Jack Hammel last spring, sufficient ore has been put in sight, it is said, to assure Greene-Stabell's future as a proven small mine at least. The work now in hand is to locate the downward continuation of known ore shoots, and discover new ones, that would assure Greene-Stabell a place among the big ones.

The work of opening up the property has been entrusted by Mr. Hammell to Mine Manager N. O. Carpenter. Mr. Carpenter and the nucleus of his present staff arrived on the property just before the break-up. Old camps were rehabilitated, new ones built, and the shaft which previous operators had sunk to a depth of 621 feet, dewatered. Since that time over 1,400 feet of lateral work has been done. The results obtained have proven sufficiently encouraging to determine Mr. Hammell, who is financing the development privately, to continue operations during the coming winter.

Values on the Greene-Stabell have been obtained from a well defined quartz vein. This has a width of 48 inches, runs practically due east and west, and has been traced on surface for a distance of 900 feet west from the shaft to the boundary of the property.

**Values Average $14**

The shaft itself is one of two compartments, from which levels have been established at depths of 285, 450 and 600 feet. On the 285-ft. level the cross-cut intercepts the vein 40 feet south of the shaft. It has been drifted on 360 feet to the east and 230 feet to the west. The richest ore in the mine has been opened up here. Values have averaged around $14 and have been consistent.

On the 450-ft. level, the vein has been reached by cross-cutting 40 feet to the north. It has been drifted on 115 feet to the east, and 50 feet to the west. An exploratory raise is being put up from this level to the level above, and is now up 60 feet.

**Todd's Report Favorable**

On the 600-ft. level the vein has been reached by cross-cutting 100 feet north of the shaft. Drifting here consists of 160 feet to the west, and 300 feet to the east.

Conditions on the bottom level have shown an improvement over the level above and a recent interesting development has been the discovery of calcite. This has just been located and further work will be required to determine the extent of the deposit, and whether it is of any commercial importance.

E. W. Todd, consulting geologist for the property, after an extensive examination, has recommended development at depth and the work will be carried on this winter.

The Greene-Stabell plant consists of an 80 horsepower boiler, 750 cu. ft. I.R. compressor, 10 by 12 I.R. hoist, steel sharpener, assay office and electric lighting plant. A crew of 30 men are employed.

The property is located about a mile south of Lake Blouin, in Dubuisson Township, 58 miles up the Harricana River from Amos.

Supplies are brought up this water route in scows and motor boats to the mine's dock, and hauled from there to the mine by team. The water trip takes from eight to nine hours, but flying in, as The Financial Post did, in a General Airway's plane, the trip was made in a little over 30 minutes.

According to information gleaned from one of the district's historians, an old timer who has followed the mines from the early days, the Greene-Stabell, locally known as "the Stabell," was one of the first gold discoveries made in the Harricana River Basin. Greene and Bridgestock, the first operators, began work here toward the close of the war or shortly afterward, he states. Considerable money was spent and high grade ore opened up down a depth of 300 feet. The development was continued on down to 600 feet where the vein was lost. Greene's tragic death followed, in consequence of which the mine was closed down, and remained idle until Mr. Hammel took up the work last spring.

# ESTIMATES MINE OUTPUT WILL BE UP FIVE PER CENT.

## Bank of Commerce Head Places 1928 Output At $260,000,000

Canada has in sight a mineral production for 1928 aggregating in value about $260,000,000 if prices continue firm and the progress made during the remainder of the year does not fall short of what may reasonably be expected, according to reports received by S. H. Logan, general manager of the Canadian Bank of Commerce. This would establish a new high level, 5 per cent. above the record of 1927 and 23 per cent. above the figures of ten years ago, when prices were highly inflated.

Towards this total the precious metals are expected to contribute $52,000,000, the four principal base metals mined in Canada $72,000,000, coal $60,000,000, and other non-metallic minerals $76,000,000. Little change is anticipated from the figures of a year ago except in the case of the base metals, which promise an increase of $13,000,000 over the amount of $59,000,000 in 1927 and an approximation to the high level of $74,000,000 in 1918.

**Gold Output Higher**

The value of the gold production for the year is expected to run to $40,000,000, or slightly more than the high record of the previous year, decreases from some mining areas being offset by increases from others, which are almost entirely due to more efficient operation of already established producers, and to the development of new ore bodies at lower levels. Silver production may fall short of the 1927 figure. The recent improvement in price, however, should bring the total value to about $12,000,000, or only slightly less than a year ago. The Oriental markets are the determining factors, and the demand from both China and India is at present good.

The recovery of the commercial metal industry from the post-war depression within a few years, as a result of improved production methods, greater co-operation among producers, rationalization in selling, and ingenuity in creating new markets, is one of the most remarkable developments of recent times. The world's consumption of copper and lead has doubled since 1921, while the use of zinc has trebled and that of nickel has increased to nearly five-fold since the low points in these industries. In each case, the present consumption is about 150 per cent. of the pre-war figure. In the case of all but nickel it is considerably above the peak of war-time demand, while the new uses to which nickel is now being put have already brought consumption almost up to that demand. The rehabilitation of European industry has been accompanied by an increasing market for non-ferrous metals and to-day the European consumption of these is about half the world's annual production, the remainder being for the most part consumed in the United States, while a small percentage goes to the Orient. Canada is already a large-scale producer of these important metals and it is to be hoped that the advantages she enjoys in the way of an immense mineralized area, plentiful and cheap power and steady labor conditions, will conduce to the establishment of a strong metallurgical industry that will bring the finished product directly to the consumer.

There is indicated an output of Canadian copper during 1928 of nearly 90,000 tons, with a value of about $25,000,000 or 46 per cent. more than in 1927. During the last fiscal year about 90 per cent. of the exports of Canadian copper went to the United States and 10 per cent. to Great Britain. A large part of the former at least must eventually have found its way to Europe, and recently a direct trade in this metal has been established between Canada and Germany.

As Canada produces between 85 per cent. and 90 per cent. of the world's nickel, the increasing use of this metal, alone or in conjunction with others, is of particular interest to the Canadian mining industry. The output for 1928 is expected to reach 44,000 tons, with a value of $18,000,000, as against 33,400 tons in 1927, an increase of 31 per cent. for the year, and of 400 per cent. over the low point of 1922. Great Britain and the United States take most of the output, the former for the purpose of refining, the latter for further manufacturing. A certain quantity of refined nickel is also exported direct to the Netherlands and to Germany, and a small quantity to Japan.

Canada's participation in the world's lead and zinc supply has increased notably since the war. The value of the lead mined during 1928 is expected to be approximately $18,000,000, that of zinc $11,000,000, in both cases nearly four times the value reached in 1918. The relative figures for 1927 were $16,500,000 and $10,200,000. Canada's exports of lead and zinc go chiefly to Great Britain and Continental Europe, although shipments to the Orient have lately been increasing, especially in the case of Japan, which is taking large quantities of lead.

Canada also produces 83 per cent. of the world's asbestos, the consumption of which is now three times that of 1921 and is steadily increasing, with at present a strong demand from Europe. The Canadian production this year will approximate $11,000,000 in value, an increase of nearly 8 per cent. over last year. In addition to asbestos and coal there is in sight a production of miscellaneous non-metallic minerals, including clay products, amounting in value to $65,000,000, as against a similar figure of $38,000,000 in 1918.

# WALSH CUT VEIN ON 375-FT. LEVEL

## No. 2 Body Now Proven Down to Below 500-ft. — Values are Good

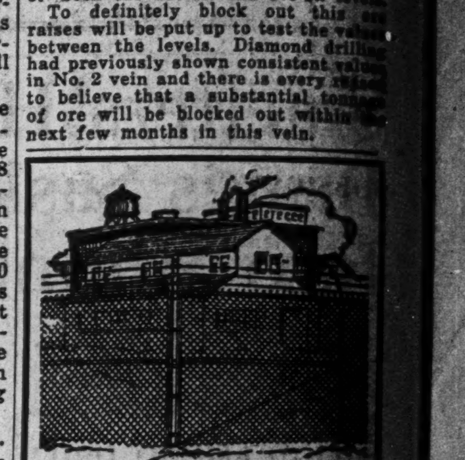
Walsh-Katrine, operating in East Kirkland Lake, has cut No. 2 vein on the 375-ft. level. The vein at this point is five feet wide and is directly under the ore shoot in No. 2 vein on the 250-ft. level where No. 2 is opened up for 86 feet of an average grade above $15 to the ton over a width of five to six feet. This ore body can be lengthened as both faces show commercial ore. Samples taken five feet apart over a width of five feet on the 375-ft. level have given an average of more than $15 to the ton.

Values in No. 2 vein on the surface, 140-ft., 250-ft. and 375-ft. levels, indicate a considerable tonnage of commercial ore in No. 2 vein. In the sinking of a sump at the 500-ft. level, No. 2 vein was encountered and the mineralization at that point appears to be equally as strong as on the 250-ft. and 375-ft. levels. The ore in the sump is at a depth of 517 feet.

There has now been proven commercial ore in No. 2 vein from the surface to 517 feet.

In opening up No. 2 vein on the 375-ft. level directly under the ore shoot on the 250-ft. level, there is being indicated each day approximately 200 tons of ore which up to the present has given an average above $15 to the ton on both the 250-ft. and 375-ft. levels.

To definitely block out this ore raises will be put up to test the values between the levels. Diamond drilling had previously shown consistent values in No. 2 vein and there is every reason to believe that a substantial tonnage of ore will be blocked out within the next few months in this vein.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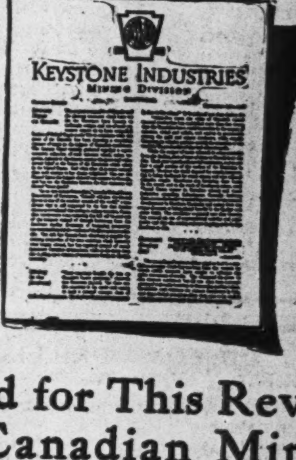

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# Canada Northern Will Segregate Its Quebec and Ontario Divisions

## North. Ontario and North. Quebec Power Companies Will Own All Assets

### SUBSIDIARIES MERGE

Northern Ontario and Northern Canada Companies Fusion is Arranged — Other Fusions Follow

From Our Own Correspondent

MONTREAL.—The Canada Northern Power Corporation is steadily moving to a point where its entire assets will be held by two subsidiary companies one of which will own and operate the Ontario sections of the corporation's activities and the other which will own and operate the corporation's assets which lie in the province of Quebec.

The Northern Quebec Power Company, a wholly owned subsidiary of Canadian Northern, already owns and operates the Quebec section of the corporation's activities. Now the Northern Ontario Power Company has been formed and will eventually acquire all the subsidiary companies operating in Ontario. The first step in the plan is the projected fusion of two subsidiaries, the Northern Canada Power and the Northern Ontario Light and Power, into the new subsidiary of the Canada Northern Power Corporation, other subsidiary which eventually will be acquired by the new Northern Ontario Power Company probably include the Porcupine Power and Telephone and the Great Northern Power.

The fusion of Northern Canada Power Company and Northern Ontario Light and Power has been arranged upon by the directors of both companies and the matter will be put before the shareholders at a meeting to be held December 10 next.

The amalgamation has been arranged with a view to effecting economies in operation, permitting improved service to the customers of both companies, and allowing the free interchange of surplus power from one system to the other.

Present plans call for the formation of a new company, the Northern Ontario Power Company, with an authorized capital of 25,000 shares, $100 par each, of 6 per cent. cumulative convertible preferred stock and 500,000 shares of no par value common stock and the exchange of securities of the new company for those of the amalgamating companies on the basis of one share of preferred for each preferred share held and two shares of no par common for each share of common held by shareholders of Northern Ontario Light and Power Company, and three shares of common stock in the new company for each two shares of Northern Canada Power stock outstanding.

The capital set up of Northern Ontario Light and Power Company includes $4,585,000 of common stock par value $100, and $2,400,000 of 6 per cent. cumulative preferred; that of Northern Canada Power Company covers only $6,000,000 of common stock par value $100. The funded debt of Northern Canada Power Company totals $6,000,000 and of Northern Ontario Light and Power Company $4,900,000.

Approximately 90 per cent. of the stock of both companies is owned by Canada Northern Power Corporation.

In his letter to the shareholders, A. J. Nesbitt, president of both companies, said that it is the intention of the directors, should the proposed scheme be ratified by the shareholders, immediately to place the common stock of the new company on a $2 dividend basis.

This will mean that common shareholders of the existing companies will be in receipt of the same dividend return as at present.

## Consolidated Sand Earns $155,000 to September 30

Earnings of Consolidated Sand and Gravel for five months to the end of September, are reported at $155,000 before depreciation, depletion and taxes. The dividend requirements of the company amount to $21,000 per quarter on the 7 per cent. preferred stock outstanding.

While figures as to the production in October are not yet available, it is understood that the company experienced a good demand for their products during October, and that the production for the month will show a tonnage in excess of that estimated.

The company was organized in May of this year as a consolidation of five sand and gravel plants. Three were in operation, and the earnings record of the Durham plant alone showed sufficient to pay the preferred dividends of the new company, it is said. The other two plants were put in operation during the year. The Waterford plant experienced some difficulty with their machinery, and for about a couple of months detracted rather than added to the earnings of the company, it is said. These difficulties are now all solved, and production is going along smoothly, the Financial Post is informed.

## Newbec's Latest Hole Evidently Missed Ore

Evidently, Newbec's latest diamond drill hole was a dud. The market action of the stock would indicate this and the report put out by a brokerage house that its field man reported that it was disappointing would seem to support this belief. Had the drill encountered the hoped-for ore, the shares would have undoubtedly soared.

## Dividends Declared

| | Rate | Date | Record |
|---|---|---|---|
| Pressed Metals, pfd | 1¾% | Jan. 1, '29 | Dec. 12 |
| Durant Motors | 10c. | Dec. 31 | Nov. 15 |
| Penmans, c. | $1 | Nov. 15 | Nov. 5 |
| Inter. Paper, c. | 60c. | Nov. 15 | Nov. 1 |
| So. Can. Power, c. | $1 | Nov. 15 | Oct. 31 |
| For. Pr. Secs., pfd. | 1½% | Nov. 15 | Oct. 31 |
| Bk. of Toronto | 3+1% | Dec. 1 | Nov. 15 |
| Hollinger | 1% | Nov. 3 | Oct. 17 |
| Brazilian Tr., c. | 44c | Dec. 1 | Oct. 31 |
| Can. Converters | 1¾% | Nov. 15 | Oct. 31 |
| Bk. of Commerce | 3+1% | Dec. 1 | Nov. 15 |
| Royal Bank | 3+2% | Dec. 1 | Oct. 31 |
| East. Theatres, c. | 50c | Dec. 1 | Oct. 31 |
| Para. Osh. Theat. pfd. | 1¾% | Nov. 15 | Oct. 31 |
| Massey-Harris, pfd. | 1¾% | Nov. 15 | Oct. 31 |
| Can. Oil, c. | 25c. | Nov. 15 | Nov. 1 |
| Do., pref. | 2% | Jan. 1 | Dec. 20 |
| Ont. Steel, c. | 40c. | Nov. 15 | Oct. 31 |
| Do., pref. | 1¾% | Nov. 15 | Oct. 31 |
| Lake of Woods, c. | 80c. | Dec. 1 | Nov. 17 |
| Do., pref. | 1¾% | Dec. 1 | Nov. 17 |
| McIntyre Mines, | 5% | Dec. 1 | Nov. 1 |
| Bk. of Montreal | 3+2% | Dec. 1 | Oct. 31 |
| Can. Fairbanks, pfd. | †6% | Dec. 15 | Nov. 30 |
| Inter. Power, c. | $1 | Dec. 15 | Dec. 1 |
| Stand. Pav. | 37½+37½c. | Nov. 15 | Oct. 31 |
| Wayagamack | 75c. | Dec. 1 | Nov. 15 |
| H. Smith Paper, pfd. | 1½% | Nov. 30 | Nov. 20 |
| Dom. Bridge | 65+20c. | Nov. 15 | Oct. 31 |
| Nat. Brick, pfd. | 1½% | Nov. 15 | Oct. 31 |

†—On arrears.

## Nation's Commerce

Activities of Canadian Chambers of Commerce from Coast to Coast

From Our Own Correspondent

MONTREAL.—The Halifax Board of Trade has once again during the past tourist season shouldered a burden which rightfully should have rested on the city of Halifax. The City Council withdrew from the estimates the amount formerly given to the Board of Trade for tourist work and this year the council of the board voted $2,500 for this purpose.

During the tourist season the Board opened a tourist office at which there were 2,651 registrations in 1928 as compared with 1,257 registrations in 1927. Some 10,000 booklets were distributed and hundreds of letters of inquiry were answered; during the summer months the Board also financed a series of ten band concerts in the city. The activities of the Halifax Board of Trade have been a big factor indeed in assisting the flow of tourists to the province.

* * *

The Kingston Chamber of Commerce has taken over new premises on the main business street. The Chamber reports that tourist traffic has been worth $1,000,000 to the town in the past year. A programme has been outlined by the Chamber which includes publicity, tourist traffic, industrial activity, and a general range of operations. The service clubs in the city are being directly interested in the work of the Chamber.

* * *

A questionnaire is being sent out by the Canadian Chamber to all Boards and Chambers and to communities without these organizations asking for information under these headings. Where and why developments have taken place; special opportunities for expansion in particular sections; the economic trend of industry; funds spent on publicity and with what results. Assembling of this data will provide the Chambers with a fund of information invaluable to local Boards and Chambers.

* * *

A new manager and industrial commissioner has been appointed by the Chamber of Commerce at St. Catharines, Ont.

* * *

New Boards of Trade have been formed at Bala, Midland, Ont., and at Rawley and Myrnam, Alberta. Boards have been reorganized at Humboldt, Kamsack and Kincaid, Sask., and at Chesley, Ont.

* * *

The Chamber at Levis, Que., is now affiliated with the Canadian Chamber of Commerce.

* * *

The question of marketing the potato crop in Prince Edward Island and other Maritime provinces is being considered through the National Interprovincial Trade committee of the Canadian Chamber of Commerce. Potato growers in those provinces are faced with the prospect of their crop of 4,000,000 bushels of table potatoes being frozen before a market can be found for them.

# MOLYBDENITE CO. MAKE PROGRESS WITH NEW MILL

## Hope to Start Plant by End of Year — To Treat 30 Tons

By Staff Editor

AMOS.—The Molybdenite Reduction Co. is proceeding with the construction of a small concentrating mill which it is hoped to have in operation by the end of the year. The mill is designed to treat 30 tons of ore a day, but provision has been made to increase this to 60 tons should further developments warrant such a step.

The company has the only molybdenite operation in Northern Quebec. Its property comprises 399 acres and is situated at the juncture of four townships, LaCorne, LaMotte, Varsan and Malartic, three miles east of the Harricana River. The discovery was made by an Indian halfbreed in 1914, and acquired by the present owners in 1921.

It was not till June, 1927, however, that the present extensive program of development was begun. This has resulted in the discovery of three mineralized zones known as "A," "B" and "C." These zones contain a network of veins varying in width from twelve inches from six to seven feet. The general strike of the veins is east-west and the dip is to the south. A large number of veins have also been found however, running north and south. It is at the juncture of these two groups that enlargement and enrichment has been found.

Work at the present time is being concentrated on Group "B." An incline shaft has been sunk to a depth of 150 feet. Some lateral work done at a level established at a depth of 100 feet, and still further work done on the 150-ft. level.

A small amount of diamond drilling done from the 150-ft. level has resulted in intersecting five veins to the north, and four veins to the south.

One hole put down at an angle of 45 degrees has shown the continuation of the ore to a depth of 200 feet.

Development is in charge of Mine Manager C. H. Clinton.

The new plant now in course of construction was designed by H. H. Claudet of Ottawa, consulting engineer to the property. It consists of a 10 by 16 jaw crusher, 4½ by 16 Hardinge ball-mill, Dorr classifier, and flotation sills.

The company is also constructing a fine set of camp buildings to accommodate its engineers and workmen of whom there are some 25 now employed.

Molybdenite is being put to a number of uses at the present time, and it is stated that all indications point to a ready demand for the new mill's output.

# SISCOE TO START NEW 100-TON MILL GOING BY NOV. 24

## Rushing Quebec's Gold Area's First Cyanide Mill to Completion

By Staff Editor

AMOS.—Siscoe Gold Mine's 100-ton cyanide mill will be in operation by November 24, F. H. Mitchell, Construction Superintendent for the Southwestern Engineering Corporation, who have the contract in hand, informs The Financial Post.

Mine Manager Hutton states the mine is in good shape to take care of the demands of the mill. Six months supply of ore have been blocked out on the 170-ft. level, five months supply on the 270, and four months supply on the 390-ft. level. On the first level the ore has been blocked out on four sides, and on three sides on the second level.

The 500-ft. level is the bottom level at Siscoe at the present time but as soon as the mill is put in operation, the intention is to carry the shaft down to a depth of 1,000 feet. New levels will be opened up all the way down, and at the same time the work of extending the drifts on the present levels will be continued.

The Siscoe ore is found in a vein four feet wide on the three upper levels. On the 500-ft. level the quartz varies in width from two to eight feet and carries assay values over a mineralized width of 20 feet. The change that has taken place here, while the massive sulphides have come in, indicates a possibility of the ore body widening below.

### Have $15 Ore

Some 700 feet of drifting has been done on each of the two upper levels, 500 feet on the third and an equal footage on the fourth. The face in every level is reported to be in ore and the recoverable values to run better than $15 per ton.

Siscoe has three drills cutting box holes and raising on the 1st level at the present time. Development work has been limited by the amount of air available, but now that the new compressor has been put in operation, five machines are to be put on the stopes, and three more kept busy with development work. The underground crew of 20 men will be doubled as soon as the mill gets underway.

### Reached by Plane

Siscoe was a hive of industry when The Financial Post visited the property. The mine is located on Siscoe Island in Lake Kienawisik, 45 miles up the Harricana River from Amos. The trip to the mine was made in one of the General Airways planes. This company, operating two aeroplanes from its base in Amos, is proving a great aid in opening up the remote mining of Northern Quebec and Ontario.

After flying over miles of lakes and rivers with an unbroken stretch of tree tops and muskeg below, Siscoe as seen from the air provides a study in contrast to the surrounding countryside. First miles of dark silent forest, then suddenly a construction gang in full swing, thud of hammers, whirr of saws, buildings springing up as if by magic in the big clearing on the lake shore, that is Siscoe.

### Will be First Mill

The Siscoe mill will be the first cyanide plant to operate in the province of Quebec. Through the courtesy of Mr. Mitchell, The Financial Post is enabled to give a complete description of it to its readers.

### The Power Plant

The power plant consists of two 200 h.p. Atlas Polar Deisel engines, one 700 cu. ft. I.R. Compressor, and an electrically driven Lidgerwood mine hoist. The engines are direct connected to two 175 k.v.a. General Electric 600 volt generators, and the compressor is driven by a 100 h.p. motor, mounted on the crankshaft. The plant is practically completed and both engines and other equipment in full operation.

### Head Frame and Crushing Plant

This consists of a combination headframe and coarse ore bin and waste bin, a Universal 12 by 20 jaw crusher and about 300 feet of conveyors.

### Mill Building and Equipment

The main building is 115 by 75 ft., with the centre bay 48 ft. high. The equipment consists of a 6 by 4 Marcy ball mill, two Dorr thickeners, three Dorr agitators, a Merrill Crowe precipitation process, 8 ft. American filter, Dorr classifier, tank pumps, etc. A 200-ton fine ore bin is adjacent to the mill.

The Siscoe engines are oil-driven and fuel oil storage has been provided for by the erection of two 70,000 gallon steel tanks. The fuel oil is brought from Amos in a 10,000 gallon steel tank mounted on a scow. The work of filling the huge tanks is about completed and sufficient fuel to carry over from freeze-up to break-up has been brought in.

There is an all water route between Amos. This has placed Siscoe in a much happier position from a transportation standpoint, than many other properties in the district which are faced with hard hauling over roads varying from two to five miles from the water. Even in the matter of the water haul itself Siscoe has an advantage, as small steamers can moor at the Siscoe dock, whereas many other mines have to rely on small pointers and freight canoes for their water transports.

## Fairhall Adds Expert to Investment Committee

Announcement is made by F. J. Fairhall & Associates of the appointment to their statistical and research department of Hamilton V. Miles, C.E.

Mr. Miles has spent practically all of his business career in the technical end of the petroleum industry. He has long been associated with various units of the Standard Oil organization throughout the world, and during the past five years has been in business for himself as technical adviser, preparing reports upon prospective commitments in various oil companies.

Mr. Miles will also be a member of the investment committee of Diversified Standard Securities and Second Diversified Standard Securities, the two investment companies sponsored by F. J. Fairhall & Associates. Both these trusts confine the investment of their capital exclusively to the Standard Oil Companies and their subsidiaries.

## Some Mond Holders Dislike the Division

Quite a number of speculators express the opinion that Mond Nickel is not coming out any too well in the Nickel merger when their shareholders are placed in a position of accepting one share of new stock for each share held while International shareholders receive six.

Mond will get more preferred and has about 500,000 more common shares than International. Past performances have shown that Mond's net earnings have been about one-third of those of Nickel. In addition the Mond dividend record has been much better than that of I.K. For a time there was a feeling abroad that there must be something else in store for Mond shareholders as on the basis of market price Mond was considerably above I.K. range. However, the reiteration of the 6 to 1 Nickel split and even exchange for Mond, has convinced that this will likely be how it will work out. New Nickel shares are being traded in at 33 or about 50 cents above Mond price.

# O'BRIEN MINE'S RICH SHOWINGS ARE IMPRESSIVE

## Very High Gold Content in Ore Contained in Narrow Vein

By Staff Editor

AMOS. — The O'Brien-Cadillac, "the show place of the north country," fully deserves its name as it leads all other mines in Quebec province, possibly in Canada itself, in its showings of free gold.

The gold occurrence at the O'Brien has been likened by one mining man to a repetition in gold, of the rich Cobalt silver deposits. The gold is found in a narrow quartz vein 14 to 16 inches wide. The quartz itself is "plastered" in many sections with raw yellow gold. All the values are here, there being no dissemination into the wall rock.

A two-compartment shaft has been sunk on this discovery to a depth of 100 feet, a drift run out about 70 feet, and a raise put up to surface. The deposit is now being mined as an open cut, stoping downward.

### A Close Corporation

The O'Brien-Cadillac is a close corporation, and there is therefore no general investment interest in the property. It is owned by M. J. O'Brien Ltd. of Ottawa, owners and operators of silver properties in Cobalt and Gowganda, as well as several other mining properties in Canada and the United States.

It is perhaps as well for the general public that the O'Brien-Cadillac is removed from the realms of speculation. The deposit is a rich one, so rich that following the rule of such occurrences, it may be expected to be limited. The O'Brien interests are apparently taking this view and proceeding with its development in a very conservative manner, taking nothing for granted. If the property were one in which the general public could secure stock, one shudders at the manner in which its future might be discounted by ambitious mine promotors, high-pressure stock salesmen, and the gullible public.

The O'Brien-Cadillac is, as its name implies, located in Cadillac township. It comprises 10 claims. The property was staked in 1924 by Austin Dumond, a prospector working for the O'Brien Co. Development was begun in a small way in 1925 and has been continued in the same manner ever since. From which it may be seen that the O'Brien is one of the oldest, as well as the richest gold operators in Quebec province.

How much gold has been recovered from the property to date? Only the O'Brien people know, and they're not telling. What ore has been taken out, has been milled in the company's Cobalt plant.

# HUNTON TO DRILL AREA BELOW RICH SURFACE SHOWING

## Consulting Geologist Plans New Effort as Result of Study

E. W. Todd, consulting mining geologist, has just completed an examination of Kirkland Hunton Mines and the directors are following his recommendations to diamond drill from the southerly cross-cut on the 500-ft. level, three drill holes, fan shaped, at 80 degrees North to reach the veins from a depth of 700 feet to 1,000 feet.

The rich surface showing originally found appears to be at the junction of three veins and the values undoubtedly came up through these fractures. The examination underground indicates that the southerly fracture is the strongest one and occurs in porphyry and syenite similar to those found along the westerly part of the main break of the camp.

The vein on the 500-foot level occupies a fault contact between the porphyry and syenite and shows improvement over the 375-foot level and mapping of the levels from the surface to the 500-foot level would indicate that this vein will persist down in the igneous mass surrounding the shaft. These wall rocks are favorable for ore deposition, and as the vein has indicated values, it is hoped the drilling will show enrichment.

A diamond drill hole will also be put down from the north cross-cut on the 675-foot level to intersect the North vein at a depth of about 1,300 feet in the vicinity of a porphyry mass indicated on the 675-foot level to the east of the winze. The company is in financial shape to carry this plan out.

### WILL SINK DEEPER

Thompson-Cadillac directors have decided to sink No. 1 shaft to 600 feet. It is now at 322 feet.

# OLD COLONY HAS HALF COMPLETED ARIZONA PROGRAM

## Long Tunnels Being Driven Parallel to Ore—Engineer in Newfoundland

Shares of Old Colony Mines which were recently listed will be called for trading some time next week. It is expected that the shares will get a good reception.

Old Colony is carrying on two mining operations, widely separated. The most advanced is in Arizona where work has got to the stage where ore should be put in sight rapidly and there is already indicated a very large tonnage of ore of good grade.

Original interest in this operation was created when it took over a large acreage adjoining Buchans Mine in Newfoundland. During the past summer a staff of engineers and geologists have been engaged working out the geology of this tract prior to diamond drilling. E. E. Campbell, consulting engineer of the company, is now on his way to Newfoundland to go over the season's work. Some optimistic reports have been received from the property and details will likely be available on Mr. Campbell's return.

### Started in June

Mr. Campbell is just back from a visit to the company's Arizona property and has made a report to the directors on his examination of the work. Following a survey of the property which started in April last, work was started on an exploration and development programme. This consisted of driving four main adits on different levels to facilitate and cheapen future exploration of known ore zones. These were driven at elevations of 4,200, 4,500, 4,800 and 5,100 feet. These tunnels parallel the vein system but are not on the ore as the ground in the vicinity of the ore has been found to be unusually badly broken. Thus the work that has been going on has not been of a nature to make ore. So far one crosscut has been run from the 4,500 tunnel to connect with an existing shaft. This exposed some valuable ore. In an intermediate drift above this crosscut on the Prince George vein, which has been renovated and is now being extended. three samples were taken across five-foot widths and gave from 40 to 60 ounces of silver. The ore carries about $2 per ton in gold. This vein shows an outcrop 15 to 30 feet wide and Mr. Campbell says that on development a big tonnage of this ore will be obtained.

### Cut 8 Feet of Ore

A crosscut independent of the adit system was driven to intersect the Eagle vein. This was completed but no drifting was done as Mr. Campbell says it is not the intention to open any of the ore areas until about the time mining operations will begin. At the point of intersection the Eagle vein showed a width of eight feet with disseminated lead and zinc sulphides containing two high-grade streaks, one twelve and the other 4 inches wide. Another independent crosscut is being driven to intersect a high-grade outcrop on the Fountain head claim. This will reach the vein at a depth of 140 feet and should be completed about now. Both of these crosscuts are driven from surface on the 4,800 level.

Mr. Campbell says that since starting actual work on June 1 the progress made totals 2,000 feet of new work and 2,620 feet of reclaimed work. The large proportion of the latter is on the 2,400 adit and was driven some years ago. Expenditure to date has been $71,000, which works out at $15 per foot after charging off plant, housing and all equipment.

The superintendent of the property says that so far about half the programme of work has been completed and yet they have cut new ore in three places and have water coming in on all levels. The scarcity of water has been a problem of the past but seems to be easing up now.

# ACQUIRES GROUND NEXT MOTHER LODE

## East Sudbury Deep May Have Extension of Vein System

A rich strike has been made at the Mother Lode Mine, located in Northeastern Oregon, and operated by the Oregon Copper Co., according to information brought back by one of the East Sudbury Deep engineers, who became interested in the property adjoining the Mother Lode Mine.

According to report, a very large tonnage of $15 ore was opened up in the upper levels of the Mother Lode last year. The Mother Lode vein is from 12 to 20 feet wide, in the upper levels, and values average around $16 per ton, principally in gold. The recent strike was made on the 450 foot level, and is quite spectacular. Here the vein is 77 feet wide and the first 60 feet averages $10 in gold and 4 per cent. copper—or a total of $27 per ton. The last 17 feet assayed in four sections, was very high grade ore, assays running $500 per ton gold, $520 per ton gold, $300 per ton gold and $280 per ton gold. Another crosscut checks similar values across a width of 75 feet, the average value for the whole width of 77 feet assays $104 per ton, with values principally in gold.

East Sudbury Deep, through their Oregon subsidiary, which is at present operating the La Bellevue Mine, have also become interested in the promising prospect covering the extension of the Mother Lode vein, but they will make no statement regarding this prospect until an examination can be made by their western consulting engineer.


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## Jackson Manion Price is About Cut in Two

Jackson Manion shares which about a week ago were sharing honors with Howey Gold, well above the ninety mark, are now around fifty cents. There is no explanation forthcoming for the break, but it is believed that it has something to do with rather discouraging results on the property. The talk on the street is that the deposit has been bottomed by diamond drilling at 800 feet. This would seem to be the same as the report that got around when Timmins' interests dropped the option. It was stated that the Timmins' people in drilling encountered granite and for that reason felt that the possibilities of the property were in a measure limited, and asked for an easing of the terms until further work was done. As this was not forthcoming the option was dropped.

# CUMMINGS-TRUDEL CLAIMS ATTRACT NEW YORK GROUP

## Provide Funds to Diamond Drill Barraute Twp. Claims

By Staff Editor

AMOS.—Cummings-Trudel Mining & Development Co. have completed financing arrangements with New York interests which will permit diamond drilling of the company's Group No. 1 in Barraute Township. The property adjoins Venus Gold Mines on the west.

Norman B. Davis, consulting engineer for Cummings-Trudel, states a series of parallel veins carrying gold have been uncovered in the course of assessment work. The veins themselves are narrow but considerable mineralization is found in the rock on each side of the vein.

In addition to its Barraute holdings the company has three other properties.

Group No. 2 adjoins the Lucky Tiger on the east. Assessment work has been completed. There is considerable muskeg on this ground and the company is postponing further operations pending the completion of diamond drilling on the Lucky Tiger. Its future program will be largely decided on results obtained from this work.

Group No. 3 is located in Desmeloizes Township, north of the Abana. A wide belt of sulphide mineralization in a highly sheared rhyolite has been found here. Surface work has disclosed a width of 25 to 30 feet and a length of 400, with narrow bodies of rock in which the sulphides are quite prominent, skirting the main belt. No spectacular values have been obtained, although samples have run $1.50 in gold. Assessment work is now being done, and the management are of the opinion that the results obtained to date merit further work being carried on.

Group No. 4 is located in the central part of Cadillac Township, three miles south of the O'Brien-Cadillac. Assessment work carried out on this group during the summer resulted in the uncovering of two showings from which fairly good silver assays were obtained. The finding of silver deposition was somewhat exceptional as gold-bearing ore has been the usual occurrence found in this district.

# GET LA BELLEVUE READY TO PRODUCE

## New Ore Cars and Drills Added — Mine Now In Good Shape

Work of preparation for production at the La Bellevue Gold Mine in the state of Oregon, recently acquired by East Sudbury Deep Mines, is progressing well. All tunnels are now open, the timbering replaced where necessary, new track has been laid in the main haulage tunnel, and ditches cleared out. The air line has been completely overhauled.

The raise from the No. 4 to the No 2 level is being lined up and when completed will permit ore from all the stopes above the No. 4 level to be dropped direct to the mill ore cars without hoisting. This raise will be used for ore storage as well.

On the surface, the work of cutting and storing wood for the mill, the kitchen and the bunkhouse and the freighting in of supplies for the winter is making good progress.

Work of completing the mill for operation is being carried on simultaneously with the work in the mine, with a view to early production.

To permit the starting of additional underground development and ore breaking, the mine has been equipped with four new ore cars and three additional air drills.


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# SHAFT ON ROCHE DOWN TO 335 FT. VALUES ARE GOOD

## Large Base Metal Ore Bodies Carrying Good Gold Values Indicated

SWASTIKA. — International Exploration Co., operating in Ben Nevis Township, about 15 miles north of Dalby Siding on the Nipissing Central Railway between Kirkland Lake and Rouyn, are rushing work at a high speed, 50 men being employed. Recent developments underground point to large ore bodies containing lead, zinc pyrite up to considerable quantities with some copper and gold content up to $4.60 per ton and four ounces in silver. The combined values exceed $30 per ton.

The general geology consists of Keewatin volcanics, consisting of rhyolites, andesites and greenstones. Granodiorite outcrops occur along the north boundary of the property. A wide rhyolite and andesite brecciated zone in which three and perhaps four prominent fractures have been opened up and otherwise extensively explored on surface. These fractures show lead, zinc and copper sulphide with the lead predominating. The entire area is more or less mineralized with fine grained pyrite.

A three-compartment shaft has reached a depth of 335 feet with stations cut at 125 feet, 225 feet and 325 feet. Lateral work will be carried on on the various levels immediately. The shaft has been sunk to the south of No. 1 vein which was cut at the 110-ft. level. Another large orebody was cut for 30 feet at the 225-ft. level. At the bottom of the shaft high grade ore was again encountered.

The directors and engineers at the property are highly pleased over the discoveries which they regard as of utmost importance to the future of the property.

Prof. L. D. Huntoon, E.M., has reported favorably on this property. Andrew Walz, E.M., who has recently made an independent examination of this property has reported favorably. He stressed the importance of values obtained on underground development, also a wide zone of disseminated ore which has recently been exposed 500 feet east of the shaft. Chas. Sheehan is mine manager, E. A. Robert of Montreal is president. The head office of the company is at 437 St. James Street, Montreal. The operation has been privately financed.

## Start on Railway to Serve Sherritt

Recent strength in Sherritt-Gordon shares is said to be due to expectation that an announcement will be made any day now that the extension of the railway from the Flin Flon Mine, 35 miles to the Sherritt property is to be proceeded with. A short time ago it was stated that the road would not be gone on with because the Sherritt people would not undertake to guarantee a tonnage that would make the road pay its way. Such a guarantee was given by the Hudson Bay Smelting and Refining before the construction of its line was proceeded with.

## Aberdeen Picture Not Quite So Rosy

Aberdeen Mine, near Merritt, B.C., has not quite the rosy outlook which advertisements offering shares to the public, would indicate, according to the B. C. department of mines.

An advertisement in the coast press printed over the signature of the minister of mines, quotes the advertisement, telling about the amount of ore indicated and then gives a report from the district engineer of the department which tells of the work done and presents a picture that falls far short of the share-offering advertisement.

# NIPISSING QUITS LEBEL ORO WORK

## Put Down Six Drill Holes — Owning Company Will Carry on Effort

As was generally expected would happen, Nipissing has dropped its option on Lebel Oro property in Kirkland Lake to the west of Bidgood. About $30,000 was spent in exploration work and diamond drilling, and while some good results were met with they were evidently not conclusive enough to satisfy the Nipissing management. It has been felt for some time that Nipissing would pull out.

Lebel Oro company will proceed with the exploration of the property itself. This may involve an increase in the capitalization from the present level of $1,500,000, of which $150,000 is still in the treasury, along with a fair amount of cash.

Nipissing is reported to have put down six drill holes, one to a depth of 1,400 feet. On a parallel vein to the main showing, one hole reported $5 values over 12 feet.

Nipissing is furnishing complete information to the Lebel-Oro people regarding their work on the property. They are laying open their entire surface, drilling and underground work. E. W. Todd, former government geologist, who has reported for several properties nearby, including the Bidgood, has been engaged by Lebel-Oro, and will make a geological map, examine drill hole sections and generally outline a campaign of future development.

## Lay Foundation for Power Plant

The foundation for the power house is being pushed ahead at the same time that the power dam is being put in, at Ear Falls, in Red Lake area, and will be ready by spring. It is believed that the plans for the plant will then be proceeded with and at the same time that Howey Gold will launch its plans for a mill. Howey management has the ground ready for the new power equipment.


ASTORIA ROUYN MAKES NEW FINDS

Telegram from Engineer says new find made on Imrie claim group No. 4, quartz vein well mineralized with sulphides.

On group "1" some interesting quartz veins have been uncovered, showing considerable mineralization and strength. Blacksmith tools, steel and powder are being rushed in.

Work proceeding aggressively on veins already reported on group "2." Engineer says showings on this group encouraging, especially in view of the good finds of gold made to the east.

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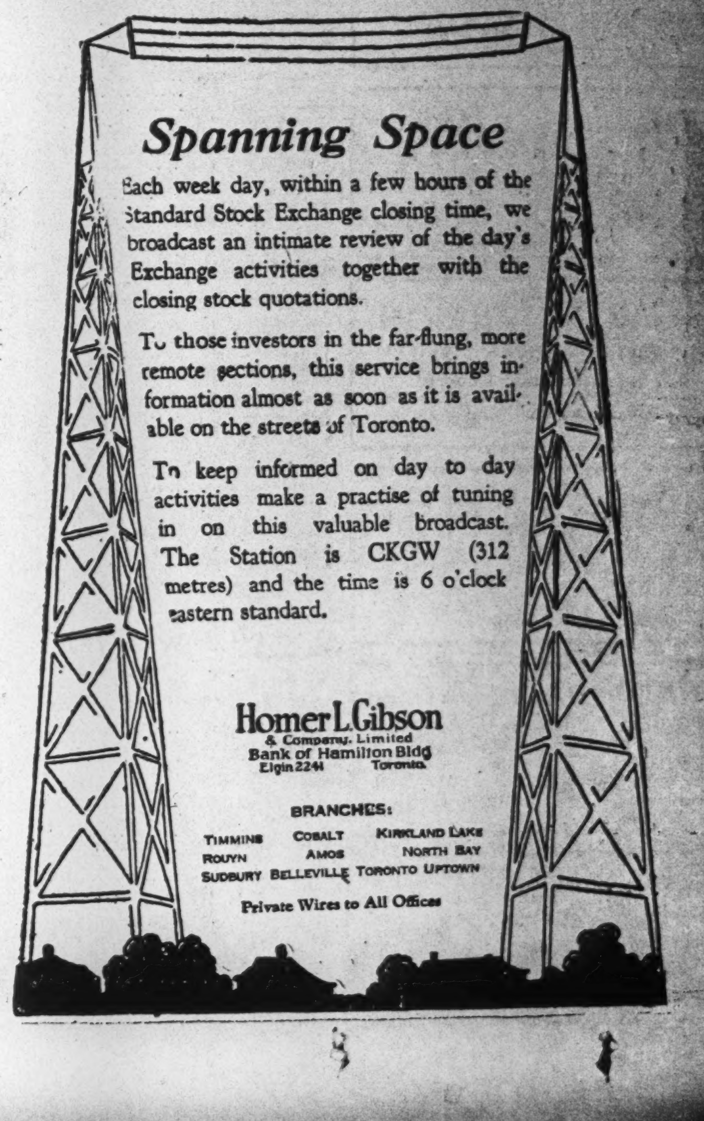

# CONIAURUM MILL IS NOW HANDLING 300 TONS DAILY

## Has Ore Reserves For About Three Years' Supply

About 300 tons daily are going through the new Coniaurum mill at Porcupine. One tube mill is handling the ore. It is estimated that earnings are around $70,000 monthly and ore reserves are placed around $3,000,000.

Underground development continues to block out ore of low or moderate grade, but with prospects of securing better results. Presently a substantial volume of $8 ore is being made available for stoping in a section of the property near the old 1,000-foot Goldale shaft. This body, 8 feet by 100 feet, will be reached by a crosscut from the main Coniaurum workings.

Coniaurum's main shaft is down 2,000 feet. Chief interest during the past summer has been centered on results from underground developments at the 1,750 and 2,000 foot levels, at which horizons it was hoped that there would be an improvement over conditions at the 1,500.

On the 2,000 and 1,750 foot levels, veins 7 and 14 have been crosscut and partly developed. Generally speaking, the ore at 2,000 feet occurs in longer shoots than on the 1,500, although the general grade on the higher horizon is better.

Diamond drilling is in progress on the lower levels to explore the further extensions of veins 7, 12 and 14 north and south from the main crosscuts.

### LA REINE IN CADILLAC

La Reine Mines is carrying out assessment work, consisting of exploratory surface trenching and stripping on its Cadillac Township property. This consists of a group of 10 claims lying east of the Thompson-Cadillac and north of the O'Brien-Cadillac. W. A. Harris is in charge, and has a gang of 10 men employed.

## Kazaba is Drilling Dalquier Property

By Staff Editor

AMOS. — Kazaba Syndicate has awarded a contract for 1,500 feet of diamond drilling to the Continental Diamond Drilling Co. of Rouyn. The work is now proceeding on the syndicate's property, 450 acres, situated on the northern boundary of Dalquier Township, ten miles due north of Amos.

This group was staked in the spring of 1927, following the discovery of a mineralized outcrop carrying zinc, lead and copper values. The outcrop was rock-trenched this summer over a width of nine feet and a length of 30. Specimens of ore assayed to find the relative proportions of the metals they carried, returned values of 18 per cent. zinc, five per cent. lead and one-half per cent. copper.

Norman B. Davis, of Ottawa, is consulting engineer and a series of shallow test holes are now being sunk under his direction.

### Examined Howie

John Reid, M.E., an Major Flood have completed a geological study of the Howie property in Clericy Twp., Quebec, and made their report to the creditors committee. Future plans will be guided by this report.

# Mining Stock Quotations

Week Ending October 30, 1928

| | Par Val | Div. Rate | Yield | High for wk. | Low for wk. | Close | Sales for wk. | Range 1927 High | Range 1927 Low | Range 1928 High | Range 1928 Low |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Abana | $1 | .... | .... | 4.15 | 3.75 | 3.78 | 70151 | 4.90 | .20 | 4.80 | 1.75 |
| Aconda | 1 | .... | .... | .19½ | .14 | .15½ | 120200 | .45 | .14½ | .47 | .14 |
| Afton | 1 | .... | .... | .... | .... | .... | .... | 1.36 | 1.00 | 2.12½ | 1.25 |
| Albain M. | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.05 | .20 |
| Algonquin | 1 | .... | .... | .01½ | .01 | .01 | 6000 | .05½ | .02 | .03 | .01 |
| Amity C. | 1 | .... | .... | .32 | .29 | .29 | 28800 | .50 | .24½ | .55½ | .24 |
| Amulet | 1 | .... | .... | 3.85 | 3.00 | 3.15 | 149442 | 7.10 | .85 | 5.45 | 2.50 |
| Apex | 1 | .... | .... | .04 | .04 | .04 | 1500 | .10 | .01 | .09 | .03 |
| Area | 1 | .... | .... | .21 | .18½ | .18½ | 31900 | 1.98 | .23 | .48 | .14 |
| Argo. Con. | 1 | .... | .... | .03½ | .01½ | .02½ | 26800 | .59 | .25 | .34 | .01½ |
| Arno | 1 | .... | .... | .21 | .19 | .20 | 32000 | .... | .... | .39½ | .15 |
| Atlas | 1 | .... | .... | .01¾ | .01¾ | .01¾ | 4000 | .07 | .02 | .04¾ | .01 |
| Aladdin | . | .... | .... | 1.35 | 1.25 | 1.35 | 1770 | .... | .... | 1.35 | 1.20 |
| Ankerite | 1 | .... | .... | .25 | .25 | .25 | 10 | 1.25 | 1.15 | 1.23 | .20 |
| Bayview | 25c. | .... | .... | .05 | .04 | .04¼ | 21000 | .... | .... | .09¾ | .04 |
| Bagamac | 1 | .... | .... | .09 | .09 | .09 | 500 | .19 | .06 | .17 | .05 |
| Baldwin | 1 | .... | .... | .03¼ | .02 | .02 | 29300 | .05½ | .01 | .03½ | .01½ |
| Barry Holl. | 1 | .... | .... | .42 | .37 | .38 | 113075 | 1.50 | .25 | 1.50 | .34 |
| Bathurst | None | .... | .... | .25 | .17 | .23 | 124050 | .35 | .30 | .35 | .16 |
| Beaver | 1 | .... | .... | .70 | .65 | .70 | 3800 | 2.75 | .59½ | 2.25 | .64 |
| Bedford | 1 | .... | .... | .41 | .35 | .38 | 49000 | .52 | .19 | .54 | .32 |
| Bellellen L. | 1 | .... | .... | .... | .... | .... | .... | .23½ | .03 | .03½ | .01½ |
| Bidgood | 1 | .... | .... | .50 | .45 | .46 | 69725 | 1.83 | .05 | 1.60 | .42½ |
| Big Horn | . | .... | .... | .... | .... | .... | .... | .... | .... | .44 | .15 |
| Big Missouri | 1 | .... | .... | .69 | .61½ | .67 | 306750 | .... | .... | .90 | .40 |
| Boischatel | None | .... | .... | .02 | .01¾ | .01⅞ | 26500 | .27 | .03 | .05 | .01½ |
| Bower M. | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.25 | .75 |
| Buckingham | 1 | .... | .... | .08¾ | .07 | .07 | 126950 | .09½ | .03 | .10 | .04½ |
| Bunker Hill | None | .... | .... | .12 | .10½ | .10½ | 21625 | .... | .... | .35 | .07¾ |
| B.C. Pioneer | . | .... | .... | 1.93 | 1.93 | 1.93 | 1500 | .... | .... | 2.00 | 1.75 |
| Cambro | 1 | .... | .... | .21 | .18 | .18 | 3200 | .58 | .55 | .59 | .18 |
| Can. Lorraine | 1 | .... | .... | .10 | .10 | .10 | 500 | .12 | .10 | .21 | .08½ |
| Capitol S. | 1 | .... | .... | .09 | .09 | .09 | 6500 | .34 | .14 | .18½ | .09 |
| Capitol R. | 1 | .... | .... | .21 | .19 | .19 | 270500 | .54½ | .10 | .22 | .09 |
| Cartier Mal. | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .30 | .15 |
| Castle Tre. | 1 | .... | .... | .39 | .36 | .36 | 2493 | 1.27 | .61 | .81½ | .34 |
| Cen. Man. | 1 | .... | .... | 1.00 | .87 | .87 | 16795 | 2.30 | 1.07 | 1.95 | .80 |
| Chaput H. | 1 | .... | .... | .08½ | .07 | .07 | 35400 | .20 | .04½ | .18 | .07 |
| Clericy | None | .... | .... | .28¼ | .18 | .26 | 108750 | .31½ | .31 | .36 | .07 |
| Clifton | 1 | .... | .... | .... | .... | .... | .... | .03½ | .00½ | .02 | .00½ |
| Coast Copper | 5 | .... | .... | 58.00 | 49.00 | 53.50 | 18664 | 43.25 | 9.75 | 60.00 | 28.00 |
| Col. Kirk | 1 | .... | .... | .02½ | .02 | .02½ | 39850 | .16 | .01½ | .09½ | .02 |
| Cons. Copper | . | .... | .... | .14⅛ | .14⅛ | .14⅛ | 200 | .... | .... | .14½ | .10 |
| Coniagas | 5 | .... | .... | 2.95 | 2.95 | 2.95 | 200 | 5.05 | 3.20 | 5.50 | 2.50 |
| Coniaurum | 5 | .... | .... | 1.95 | 1.65 | 1.95 | 335 | 5.78 | 2.80 | 5.50 | 1.65 |
| Cons. Smelter | 25 | 10+40 | 4.29 | 297 | 280 | 291 | 4108 | 274½ | 215 | 297 | 239 |
| Copper Hill | 1 | .... | .... | .... | .... | .... | .... | .68 | .36 | .46 | .44 |
| Cork Prov. | 25c. | .... | .... | .26 | .25 | .25 | 62600 | .... | .... | .47 | .25 |
| Corona | 1 | .... | .... | .05 | .04 | .04 | 22900 | .37 | .10 | .16 | .03 |
| Crown Res. | 1 | .... | .... | .50 | .45 | .48½ | 42483 | .80 | .39 | .70 | .34 |
| Davidson | 1 | .... | .... | .... | .... | .... | .... | .08 | .01 | .03 | .00½ |
| Dunkin | 1 | .... | .... | .30 | .25 | .25 | 10900 | .... | .... | .55 | .19⅞ |
| Destor | 1 | .... | .... | .... | .... | .... | .... | .43 | .20 | .28 | .20 |
| Dome Mines | None | $1 | 12.12 | 8.65 | 8.25 | 8.25 | 1231 | 14.60 | 6.85 | 13.35 | 7.65 |
| Dom. Kirk. | 1 | .... | .... | .01½ | .01 | .01 | 4500 | .12½ | .01½ | .06½ | .01 |
| Don. Rouyn | 1 | .... | .... | .16 | .14 | .15 | 21050 | .56½ | .17½ | .30 | .10 |
| Dubec | 1 | .... | .... | .... | .... | .... | .... | 1.48 | .35 | .72 | .40 |
| Duprat | 1 | .... | .... | .05 | .04½ | .04¾ | 9350 | .21 | .19¾ | .12½ | .03 |
| Dupuy | 1 | .... | .... | .... | .... | .... | .... | .79½ | .09 | .10¼ | .10 |
| Dunwell | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .35 | .20 |
| Duthie | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.40 | 1.00 |
| Everett | 1 | .... | .... | .01 | .01 | .01 | 1100 | .05½ | .01¼ | .03 | .01 |
| Federal Kirk. | 1 | .... | .... | .10 | .08½ | .08½ | 18600 | .78 | .40 | .77 | .08½ |
| Fiske | 1 | .... | .... | .... | .... | .... | .... | .30½ | .05 | .10 | .03 |
| George Cop. | 1 | .... | .... | 4.50 | 3.95 | 4.00 | 3135 | .... | .... | 6.75 | 2.50 |
| Golconda | 1 | .... | .... | .87 | .72 | .85 | 147000 | .... | .... | 1.13 | .69 |
| Goldale | 1 | .... | .... | .22 | .18 | .19 | 17550 | .57½ | .20 | .44 | .17 |
| Gold Hill | 1 | .... | .... | .08½ | .07 | .07½ | 77950 | .54 | .22 | .38½ | .07 |
| Gold Reef | 1 | .... | .... | .01½ | .01½ | .01½ | 6500 | .02½ | .01½ | .03 | .01 |
| Goodfish | 1 | .... | .... | .37 | .30 | .30 | 43400 | .... | .... | .78 | .30 |
| Graham | 1 | .... | .... | .30 | .28 | .28 | 49550 | .... | .... | .45 | .18 |
| Grandview | 50c. | .... | .... | .59 | .55 | .56½ | 112500 | .... | .... | .87 | .30 |
| Granada | 1 | .... | .... | .24 | .21½ | .22 | 23760 | .41 | .14½ | .35½ | .17 |
| Grover Daley | 1 | .... | .... | .07¾ | .06 | .06 | 13600 | .37 | .08 | .15 | .06 |
| Harker | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .43 | .41 |
| Harvie Exp. | None | .... | .... | .... | .... | .... | .... | 2.40 | .50 | .85 | .01 |
| Hecla | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.30 | .95 |
| Hillcrest, c. | 100 | 6 | 9.23 | .... | .... | .... | .... | 65.00 | 50.00 | 68.00 | 65.00 |
| Hillcrest, p. | 100 | 7 | 8.21 | 85.25 | 85.00 | 85.25 | 15 | 90.00 | 81.00 | 90.00 | 85.00 |
| Hilltop | 1 | .... | .... | .08 | .07 | .07 | 13900 | .25 | .06½ | .23½ | .07 |
| Hollinger | 5 | 13 | 7.10 | 9.75 | 9.00 | 9.15 | 14508 | 22.65 | 16.40 | 18.10 | 7.00 |
| Howey Gold | 1 | .... | .... | 1.00 | .97½ | .99¾ | 76500 | 1.78 | .42 | 1.91 | .61 |
| Hudson | None | .... | .... | 19.50 | 18.50 | 18.50 | 17471 | .... | .... | 23.25 | 16.40 |
| Indian | 1 | .... | .... | .... | .... | .... | .... | .12 | .04 | .15 | .04½ |
| Int. Nickel | 25 | $3 | 1.68 | 187.00 | 171.50 | 183.50 | 119310 | 90.25 | 38.00 | 198.00 | 73.75 |
| Jackson M. | 1 | .... | .... | .88 | .62 | .67 | 940800 | .86 | .36 | 1.02 | .62 |
| Kelley | 1 | .... | .... | .43½ | .40 | .40 | 9300 | 1.66 | .69 | .85 | .37½ |
| Keora M. | 1 | .... | .... | .01½ | .01 | .01 | 11000 | .13½ | .02 | .05 | .01 |
| Kirk. Hunt. | 1 | .... | .... | .07 | .05 | .05 | 58000 | .35½ | .10 | .26 | .03 |
| Kirk. Lake | 1 | .... | .... | 1.23 | 1.15 | 1.23 | 26950 | 3.06 | .82 | 2.75 | 1.15 |
| Kirk. Prem. | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .40 | .10 |
| Koot. Flor. | 20c. | .... | .... | .21 | .18 | .19½ | 92300 | .31 | .21 | .47 | .15 |
| Koot. King | . | .... | .... | .48 | .36 | .40 | 128000 | .... | .... | .67 | .36 |
| La Rose | 1 | .... | .... | .... | .... | .... | .... | .12 | .03 | .08⅛ | .03 |
| Lake Shore | 1 | 80c. | 3.80 | 21.00 | 20.25 | 21.00 | 13270 | 28.20 | 15.40 | 27.20 | 18.00 |
| Lebel Ore | 1 | .... | .... | .22 | .15 | .20 | 23600 | .66 | .30 | .59 | .15 |
| Laval | 1 | .... | .... | .15 | .10 | .10 | 92800 | .59 | .19½ | .38 | .08½ |
| Lorrain C. | 1 | .... | .... | .01 | .01 | .01 | 2450 | .03¼ | .01 | .03 | .00½ |
| Lorrain T.L. | 1 | .... | .... | .... | .... | .... | .... | .86 | .52 | .70 | .30 |
| Lucky Jim | 10c. | .... | .... | .25 | .25 | .25 | 25050 | .... | .... | .44 | .23 |
| McLeod R. | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .35¼ | .34½ |
| Mandy | 1 | .... | .... | 1.65 | 1.50 | 1.50 | 41850 | .... | .... | 3.50 | 1.49 |
| Macassa | 1 | .... | .... | .20 | .18 | .20 | 3700 | .69 | .18 | .55½ | .16 |
| Malartic | 1 | .... | .... | 1.30 | 1.15 | 1.17 | 438215 | .78 | .23 | 1.85 | .70 |
| Malrobic | . | .... | .... | .36 | .35 | .35 | 9800 | .... | .... | .37½ | .34½ |
| Marriott | 1 | .... | .... | .05½ | .05 | .05½ | 5000 | .45 | .35 | .46 | .04 |
| McDougall | 1 | .... | .... | .40 | .35 | .38 | 5590 | .9 | .24 | .74¼ | .31 |
| McKinley | 1 | .... | .... | .15½ | .15½ | .15½ | 535 | .25½ | .11 | .21 | .15 |
| McIntyre | 5 | 20 | 4.70 | 22.25 | 21.00 | 21.25 | 3745 | 29.00 | 24.00 | 29.00 | 18.80 |
| Mentor | 10 | .... | .... | .... | .... | .... | .... | 14.00 | 12.00 | 13.00 | 12.50 |
| Millcrest | 1 | .... | .... | .02¾ | .02 | .02½ | 23000 | .15 | .02 | .12 | .02 |
| Mining Corp. | 5 | .... | .... | 3.25 | 3.02 | 3.10 | 11820 | 5.02 | 2.90 | 5.50 | 2.92 |
| Moneta | 1 | .... | .... | .08 | .08 | .08 | 500 | .15½ | .08¾ | .12 | .07 |
| Montreal R. | 1 | .... | .... | .... | .... | .... | .... | .35 | .10 | .16 | .04¾ |
| Mint Ore | 1 | .... | .... | .30 | .25 | .25 | 13300 | .... | .... | .44 | .25 |
| Mond Nickel | £1 | .... | .... | 33.50 | 31.25 | 32.25 | 55756 | .... | .... | 46.50 | 20.00 |
| Moss | 1 | .... | .... | .90 | .85 | .85 | 12900 | .... | .... | .95 | .25 |
| Murphy | 1 | .... | .... | .63 | .56 | .63 | 90130 | .... | .... | .63 | .28 |
| Moffatt | 1 | .... | .... | .14 | .13 | .13 | 27350 | .... | .... | .35½ | .13 |
| Morton Woolsey | | .... | .... | .08 | .07⅛ | .07½ | 212000 | .... | .... | .09 | .06¾ |
| Nat. Silver | 50c. | .... | .... | .... | .... | .... | .... | .... | .... | .20½ | .17½ |
| Newbec | 1 | .... | .... | .43 | .34 | .34¼ | 626575 | 1.20 | .62½ | .69 | .28 |
| Night Hawk | 1 | .... | .... | .06½ | .06 | .06½ | 3500 | .10½ | .04½ | .10 | .05 |
| Nipissing | 5 | 6 | 10.34 | 3.05 | 2.75 | 2.90 | 8350 | 10.30 | 5.25 | 6.20 | 2.50 |
| Noranda | None | .... | .... | 58.60 | 53.50 | 54.25 | 278460 | 25.80 | 19.95 | 64.50 | 17.00 |
| Notre Dame | 1 | .... | .... | .72 | .71 | .72 | 10800 | .... | .... | .82 | .50 |
| Ophir | 1 | .... | .... | .... | .... | .... | .... | .04⅝ | .00¾ | .03 | .01 |
| Osisko | . | .... | .... | .51½ | .50 | .50 | 20850 | .... | .... | .75 | .35 |
| Picard | 1 | .... | .... | .01½ | .01 | .01 | 316500 | .... | .... | .77 | .01 |
| Pawnee Kirk | 1 | .... | .... | .18 | .11 | .11½ | 238900 | .78 | .64 | .80 | .08 |
| Pend Ore | 1 | .... | .... | 13.25 | 11.25 | 12.00 | 20025 | .... | .... | 25.50 | 8.00 |
| Pend, pref. | . | .... | .... | .... | .... | .... | .... | .... | .... | 1.40 | .60 |
| P. L. Cobalt | 1 | .... | .... | .27½ | .24¾ | .27 | 41865 | 18.00 | .02 | .30 | .06 |
| Porc. Crown | 1 | .... | .... | .03 | .01 | .02 | 9100 | .11 | .03 | .08 | .01 |
| Pioneer | 1 | .... | .... | .36 | .32 | .35½ | 18500 | 1.18 | .45 | .68 | .30 |
| Pioneer Gold | . | .... | .... | 2.00 | 1.80 | 1.90 | 1370 | .... | .... | 2.00 | 1.80 |
| Potter Doal | None | .... | .... | .03½ | .03 | .03¼ | 63200 | .65 | .10½ | .22 | .02½ |
| Premier Gold | 1 | 24c. | 10.57 | 2.66 | 2.18 | 2.27 | 10270 | 2.50 | 1.86 | 3.50 | 2.15 |
| Preston | 1 | .... | .... | .02½ | .02¼ | .02½ | 2500 | .07 | .03 | .05 | .02 |
| Porter Idaho | 50c. | .... | .... | .63 | .60 | .60½ | 6700 | .... | .... | .88 | .48 |
| Ridgedome | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.25 | 1.03 |
| Ribago | 1 | .... | .... | .08 | .05 | .06 | 32500 | .87 | .13 | .25 | .04 |
| Rouyn G. | 1 | .... | .... | .... | .... | .... | .... | .04½ | .02½ | .03½ | .01½ |
| Rouyn, Que. | 1 | .... | .... | .... | .... | .... | .... | .04 | .01⅛ | .02 | .01½ |
| Rubec | 1 | .... | .... | .... | .... | .... | .... | .65 | .80 | .80 | .04 |
| Realty & M | None | .... | .... | .... | .... | .... | .... | .38 | .15 | .54¾ | .08 |
| R. Montbray | . | .... | .... | .09 | .08 | .08 | 5200 | .... | .... | .32 | .08 |
| Ruth Hope | 1 | .... | .... | .64 | .50 | .60 | 23059 | .... | .... | .71 | .44 |
| Rouyn Kenn | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.10 | 1.10 |
| Rufus Argenta | 1 | .... | .... | .24 | .18 | .22 | 216000 | .... | .... | .37 | .14 |
| Simard | . | .... | .... | .... | .... | .... | .... | .... | .... | 11.50 | 8.00 |
| Silversmith | 20c. | .... | .... | .... | .... | .... | .... | .... | .... | .23 | .12 |
| Slocan King | 20c. | .... | .... | .... | .... | .... | .... | .... | .... | .11 | .08 |
| Selkirk | . | .... | .... | .... | .... | .... | .... | .... | .... | .03 | .02⅞ |
| San Antonio | None | .... | .... | .27 | .23 | .25 | 29550 | .57 | .30 | .57½ | .18 |
| Siscoe | 1 | .... | .... | .80 | .68 | .69 | 62835 | .60 | .12 | .90½ | .15 |
| Snowflake | 50c. | .... | .... | 1.01 | .78 | .79½ | 101600 | .... | .... | 1.35 | .78 |
| South Keora | 1 | .... | .... | .... | .... | .... | .... | .64½ | .04½ | .17¾ | .03½ |
| Stadacona | None | .... | .... | .15 | .11½ | .14½ | 13550 | .55 | .13 | .21½ | .09 |
| St. Anthony | 1 | .... | .... | .63 | .60 | .60 | 22500 | .50 | .16 | .75 | .32 |
| Sudbury M. | 1 | .... | .... | .03 | .03 | .03 | 2000 | .... | .... | .33½ | .02½ |
| Sylvanite | 1 | .... | .... | 2.40 | 2.25 | 2.30 | 6450 | 4.80 | 2.60 | 3.90 | 2.00 |
| Sherritt G. | 1 | .... | .... | 7.40 | 6.25 | 7.15 | 177616 | .... | .... | 8.40 | 5.45 |
| Sud. Basin | None | .... | .... | 8.15 | 6.25 | 8.10 | 229505 | .... | .... | 12.00 | 5.15 |
| Sud. Contact | 1 | .... | .... | .16 | .08 | .12 | 55500 | .... | .... | .50 | .08 |
| Sunloch | 1 | .... | .... | 2.50 | 2.30 | 2.45 | 1325 | .... | .... | 6.50 | 2.00 |
| Tashota | . | .... | .... | .29 | .28½ | .28½ | 8000 | .... | .... | .37 | .28½ |
| Thom. Cad'c | 1 | .... | .... | .37 | .34 | .35 | 20350 | .... | .... | 1.06 | .34 |
| Topley | 50c. | .... | .... | .49 | .48 | .48 | 10700 | .... | .... | .65 | .48 |
| Teck Hughes | 1 | 60c. | 6.97 | 8.85 | 8.50 | 8.60 | 25230 | 12.00 | 5.37 | 11.60 | 7.55 |
| Telluride | 1 | .... | .... | .... | .... | .... | .... | .38 | .35 | .58 | .20 |
| Tough Oakes | 1 | .... | .... | .15 | .10 | .14¼ | 185800 | .82 | .25 | .79 | .10 |
| Towagmac | 1 | .... | .... | 3.05 | 2.98 | 3.05 | 7215 | 5.75 | 2.85 | 4.75 | 2.25 |
| Timiskaming | 1 | .... | .... | .... | .... | .... | .... | 12 | .04 | .10¼ | .05 |
| Treadwell Y. | 1 | .... | .... | 13.00 | 11.00 | 13.00 | 4855 | 26.75 | 18.50 | 32.00 | [illegible] |
| Thom. Krist | 1 | .... | .... | .... | .... | .... | .... | .02 | .00½ | .01¼ | .01 |
| United Kirk. | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .20 | .10 |
| Vaughan | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 1.70 | 1.15 |
| Vickers | 1 | .... | .... | .... | .... | .... | .... | 1.52 | .25 | 1.25 | .60 |
| Vipond | 1 | .... | .... | .59 | .57½ | .58¼ | 40628 | 1.74 | .47 | .99 | .42 |
| Wakenda | 1 | .... | .... | .... | .... | .... | .... | .16 | .01 | .15½ | .06 |
| West D. Lake | 1 | .... | .... | .10 | .08½ | .08½ | 33749 | .20 | .08 | .17½ | .08 |
| Wiltsey C. | 1 | .... | .... | .... | .... | .... | .... | .74 | .50 | .56 | .24 |
| Wright Har. | None | 10c. | 3.44 | 3.00 | 2.70 | 2.90 | 57175 | 8.45 | 5.50 | 6.80 | 2.30 |
| Windfall R. | None | .... | .... | .04½ | .04 | .04 | 13600 | .31 | .19¾ | .25 | .03 |
| Whitewater | 1 | .... | .... | 1.50 | 1.45 | 1.48 | 9325 | .... | .... | 2.85 | 1.45 |
| Woodbine | None | .... | .... | .13½ | .12 | .13 | 69400 | .... | .... | .46 | .11 |

CALGARY OIL STOCKS

| | Par Val | Div. Rate | Yield | High for wk. | Low for wk. | Close | Sales for wk. | Range 1927 High | Range 1927 Low | Range 1928 High | Range 1928 Low |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Acme | . | .... | .... | .... | .... | .... | .... | .... | .... | .30 | .17 |
| Advance | 1 | .... | .... | .47 | .47 | .47 | 200 | .... | .... | .95 | .25 |
| Alta. Pac. | 1 | .... | .... | [illegible] | .45 | .45 | 4332 | .... | .... | .81 | .30 |
| Black Dia. | . | .... | .... | .... | .... | .... | .... | .... | .... | .35 | .12 |
| Brit. Dom. | 1 | .... | .... | .42 | .42 | .42 | 615 | .... | .... | .75 | .25 |
| Calmont Es. | . | .... | .... | .... | .... | .... | .... | .... | .... | 1.00 | .72½ |
| Calmont | 1 | .... | .... | .... | .... | .... | .... | .... | .... | 2.10 | .70 |
| Cal. Pet. P. | . | .... | .... | .... | .... | .... | .... | .... | .... | 5.50 | 4.25 |
| Cherokee | . | .... | .... | .... | .... | .... | .... | .... | .... | .07 | .06 |
| Dalhousie | None | .... | .... | 1.55 | 1.52½ | 1.55 | 5610 | .... | .... | 4.25 | 1.50 |
| Dallas | . | .... | .... | .... | .... | .... | .... | .... | .... | .30 | .10 |
| Devenish | None | .... | .... | .30 | .26 | .30 | 5015 | .... | .... | .75 | .26 |
| Great West | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .34 | .10 |
| Ill. Alta | 1 | .... | .... | .54½ | .51½ | .51½ | 5875 | .... | .... | .77½ | .45 |
| Madison | . | .... | .... | .11 | .09 | .10½ | 3400 | .... | .... | .20 | .07 |
| Mayland | . | .... | .... | .... | .... | .... | .... | .... | .... | 1.75 | 1.06 |
| McD.S.Ex. | 1 | .... | .... | 1.85 | 1.80 | 1.80 | 2185 | .... | .... | 3.00 | 1.40 |
| McD.S.(new) | 1 | .... | .... | 1.14 | 1.12 | 1.12½ | 2025 | .... | .... | 1.80 | 1.00 |
| McLeod | 1 | .... | .... | 4.60 | 3.75 | 3.97 | 1641 | .... | .... | 7.10 | 2.97 |
| Mid West | 1 | .... | .... | .20 | .20 | .20 | 467 | .... | .... | .60 | .20 |
| Mill City | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .55 | .27 |
| Moose M'tn | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .30 | .25 |
| N.W. Pacific | . | .... | .... | .... | .... | .... | .... | .... | .... | .09 | .09 |
| Okalta c. | None | .... | .... | 30.00 | 30.00 | 30.00 | 9 | .... | .... | 47.00 | 20.00 |
| Okalta p. | 100 | .... | .... | 68.00 | 68.00 | 68.00 | 100 | .... | .... | 100.00 | 68.00 |
| Ranchmen's | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .80 | .35 |
| Regent | . | .... | .... | .30 | .30 | .30 | 100 | .... | .... | .35 | .30 |
| Royalite | None | .... | .... | 64.50 | 62.00 | 62.50 | 169 | .... | .... | 84.60 | 45.00 |
| Signal Hill | 1 | .... | .... | .08 | .06 | .08 | [illegible] | .... | .... | .30 | .06 |
| Spooner | 1 | .... | .... | 1.15 | 1.15 | 1.15 | 980 | .... | .... | 3.10 | 1.10 |
| Stockmen | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .60 | .32 |
| Turner Valley | 1 | .... | .... | .... | .... | .... | .... | .... | .... | .70 | .30 |
| United | 1 | .... | .... | 1.65 | 1.60 | 1.60 | 620 | .... | .... | 2.65 | 1.19 |
| Vulcan | 1 | .... | .... | 2.00 | 1.82½ | 1.85 | 1551 | .... | .... | 3.00 | 1.50 |

# Mining Inquiries

### Callinan F.F.

What are the prospects of Callinan Flin Flon? Are the shares well regarded?

Callinan Flin Flon looks like quite an attractive speculation. The company is operating two properties, one adjoining the Flin Flon Mines of the Hudson Bay Mining and Smelting Company and the other is the Baker Paton group in the same area. Very good results are being secured on the underground development of the Baker Paton group while diamond drilling is proceeding on the other. The operations are in very good hands.

### Stadacona

In a recent list of well considered penny stocks I notice Stadacona is missing. I notice that reports about the company continue optimistic. Would you advise that one continue to hold the shares?

Stadacona has put forth quite an intensive effort to try and find a mine in Quebec. It has met with a certain amount of favorable result but has got nothing of a conclusive nature. The public has seemingly come to realize that developing the Rouyn properties is a very long drawn out affair and for that reason is not very partial to such stocks—hence the weakness in the market.

### Argonaut

I hold several thousand Argonaut. I understand they are not working. Could you give me any information?

The outlook for Argonaut Consolidated is not bright. The company has quit operations and is abandoning its property in Kirkland Lake and at the moment is busily engaged trying to clean up on what assets remain. It may work out in the final analysis that there will be a fair amount of money left and this may be either distributed to shareholders or may be employed by the company in an effort to secure another property. We rather think that the latter policy will be followed.

### Windfall Rouyn

I notice that there has been a shake-up in Windfall Rouyn. Could you give any reason? What is your opinion on their chances?

I am sorry we have not the inside story as to the cause of the shake-up in Windfall-Rouyn Company. The main operation of the company was carried out in Clericy Township, Quebec, and a real earnest effort was made to find a mine.

Operations have been quite restricted and while there are still hopes that it may come through—they are quite remote. It is true that the company has taken up a number of other properties but we do not believe that they have made any more progress on them than they did on the Clericy property.

### Should Buy Merit

What is your opinion of Malartic? I have been thinking of buying some of the mine shares and it has been recommended.

Since you wrote your letter of enquiry in regard to Malartic, some things have cropped up which throw doubt on the possibility of it proving to be quite the success that previously it seemed destined to enjoy. You are quite a long way from the market and if you held stock in quite a speculative venture the whole thing could collapse and your stake in it wiped out before the information would get to you. For that reason we think you should buy some of the other stocks where the element of risk has been much more reduced.

### Clarke B. - Gold Exp.

I hold some shares in Clarke Bourlamaque and have been approached to exchange them for Gold Exploration of Canada. Would you advise that the exchange be made?

We have never regarded the Clarke-Bourlamaque Gold Mines, as a venture possessing a great degree of merit and as Gold Exploration of Canada is practically the same thing under another name, we cannot see how it will improve matters very much. The people behind the venture have had quite a number of mining operations and never got anywhere with any of them and while the exchange of shares will not do you any harm, we would not suggest that you be any too optimistic in regard to the good that may come from such a move.

### Pioneer

I hold 1,000 shares of Pioneer. It does not seem to make progress. Should I hold or get out?

Some considerable time ago there was a shake-up in the operations of Huronian Belt Company, operating in Ontario and as a result practically all the stocks involved sank to rather low levels. Pioneer was one of them. Another trouble with this stock has been that there have been a couple of announcements that a mill would likely be built at once and yet the mine has not reached the stage where a mill is justified. Development on the property has been very satisfactory of late according to official reports and while it may try your patience a little we believe that if you hold your Pioneer shares you will ultimately find them quite profitable.

### No Tips Given

Will you advise what mining stocks you consider most attractive at present prices? What are they doing with Jay Copper? Is it a good investment?

We do not make it a practice to suggest stocks which our readers should purchase. This is nothing more or less than giving tips which generally make for trouble for all concerned. What we do is to attempt to give facts about different operations, in The Financial Post and allow our readers to make their own decision from these facts. If you follow our Mining Section we do not think you will have any trouble in picking out what are regarded as some of the very best issues.

Jay Copper is a very speculative issue and is by no means to be regarded as a good investment. Incidentally, mining stocks are not to be regarded as investments but rather as speculations.

### Wright-Hargreaves

I notice that Wright-Hargreaves continues to drop and I am wondering if it is going to peter out entirely. What about Teck-Hughes, Kirkland Gold and Granada?

It is quite difficult to explain the recent decline in the price of Wright-Hargreaves, except perhaps for the rumors that got around that the company was going to pass up its dividends entirely. The major decline in the price of these shares was due to a very severe drop in the gold contents of the ore which was being sent to the mill. Since then, however, deep development has opened up some very good ore and allowed for millheads which is the average content of the ore per ton, to be raised to quite a profitable basis and to where the dividend has been earned.

Teck-Hughes, Kirkland Lake Gold and Granada are well sponsored operations and are to be rated in the order given. The first two are producing and the first of the three is on a substantial dividend basis. Kirkland Lake Gold is opening up some very good ore at deep levels and the outlook is very bright. Granada is an exploration operation in the Rouyn, Quebec section, which has been meeting with a fair amount of success in its efforts.

### Big Harbour Gypsum

I notice an advertisement of Big Harbour Gypsum in The Financial Post. It looks interesting. I realize that it is a new venture, much like an untried mine, but they seem to have the gypsum in sight, according to their engineers' reports. How does it look?

Big Harbor Gypsum Syndicate seems to have a certain amount of merit. As you state in your letter the company has already indicated a very substantial tonnage of gypsum which can be mined at a reasonably low cost. In addition the location of the property is such that loading costs for water shipment should be quite reasonable.

Seemingly then the future of the proposition would evolve around two things, first the ability of the promotors to get sufficient funds to finance the development of the operation, and secondly ability to market their product after they have reached the producing stage. Of the first point it is impossible for anyone at this date to pass an opinion on and the promotors state that they have been assured of some very excellent contracts when they have their proposition at a stage where they can guarantee delivery.

### Holds Them All

I enclose a list of my mine holdings and also industrials. You will see that it is very extensive. What should I do with it?

Apparently there are not many of the mining stocks that you have overlooked—your list is almost as complete as that on the Standard Stock Exchange. Situated as you are right in the heart of the mining country you ought to have a pretty fair line on the general situation up there. You have got a mixture of good and bad stocks. Everitt does not seem to be worth much, Canadian Lorraine looks a long way off, Castle does not ever seem to be able to get earnings up to the point where they can consider the shareholders, McEnney does not seem to get anywhere, Atlas is about in the same class, the same with Penley Silver, but all the others seem to have a chance—some good and some fair. The same remarks would apply to some of your industrial holdings.

What we think you should really do is to start housecleaning. You have got your eggs in too many baskets. What you ought to do is unload practically the whole works and start over afresh and confine yourself to some of the stocks that have got a considerable amount of merit. We believe that it is only in that way that you will ever make any money out of the market. Now you have thrown a few dollars here and a few dollars there into the pot and you are seemingly not getting anywhere.

### Wold Gold Details

I want to study world conditions in the gold mining industry and would be glad if you would suggest publications that might give me a line on operations in the various companies and also books that would list U.S., Canadian and English operations.

To get a line on United States publications dealing with the gold industry of the United States, we would suggest that you get in touch with Engineering and Mining Journal listed in the telephone directory under the McGraw-Hill Company, 5th Avenue. The editor of that publication will be glad to direct you as to what publication gives the best information in that regard.

In regard to English investment propositions, we would suggest that you write to the Mining Manual and Year Book, 15 Dowgate Hill, Cannon Street, London, E.C.4. They publish Standard Reference Work on Mines, issuing it yearly and this covers pretty well the South African operations. In Canada we ourselves publish the Survey of Mines, the 1928 edition of which is now available. It reviews all production statistics and individual operating companies as well. We would suggest also that you might write the Federal Bureau of Mines, Ottawa, and ask them to let you have any publication which they have dealing with the gold industry of the Dominion and also write to the Ontario Department of Mines, Queen's Park, Toronto, and ask them for a copy of their report on Ontario gold production.

### Bush Cons.

I have 2,000 shares of Bush Consolidated and there does not seem to be much news about it lately. What is the reason?

The reason we are carrying no news at present on Bush Consolidated Gold Mines is that no operations are being carried out on the property.

It may be some time before Alexandria Gold Mines interest get around to the point of operating this property as they have two other operations, Babine Bonanza and Alexandria Mines property on which they are pushing development work.

All three companies are controlled by Anglo London Mines Corporation, Royal Bank, Toronto, and work on the different properties is being financed by this company.

Grant Mahood, head of the company, stated recently that his engineer, Thomas Devey, was very much taken with the possibilities of the Bush, having made an examination of it, and expressed the opinion that expenditure around $90,000 in driving a long tunnel would open up some very excellent ore. Mr. Mahood says he does not intend to tackle the Bush until such time as he can put it in charge of a skilled engineer with proper equipment. Work on the Bush in the past has been very slow because of the fact that all work done was by hand skill.


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